

# **Alberta Seniors and Housing**

**Annual Report**  
2017-18



**Note to Readers:**

Copies of the annual report are available on the Alberta Seniors and Housing website at:  
[www.seniors-housing.alberta.ca](http://www.seniors-housing.alberta.ca)

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# ALBERTA SENIORS AND HOUSING

## Annual Report 2017-18

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## Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Planning and Transparency Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 21 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, consolidated financial statements of the province, and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

This annual report of the Ministry of Seniors and Housing contains the Minister's accountability statement, the audited consolidated financial statements of the ministry, and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry, including the Department of Seniors and Housing and the Alberta Social Housing Corporation; and
- other financial information as required by the *Financial Administration Act* and *Fiscal Planning and Transparency Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.

## **Minister's Accountability Statement**

The ministry's annual report for the year ended March 31, 2018 was prepared under my direction in accordance with the *Fiscal Planning and Transparency Act* and the government's accounting policies. All of the government's policy decisions as at June 5, 2018 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Honourable Irfan Sabir for  
Honourable Lori Sigurdson  
Minister of Seniors and Housing

## Message from the Minister



As Minister of Seniors and Housing, I am pleased to present our 2017-18 annual report to highlight my ministry's work providing seniors' supports and affordable housing. Over the past year, we have continued our commitment to create affordable housing options for Albertans most in need.

On June 26, 2017, following conversations with more than 1,800 Albertans, I was honoured to announce Alberta's first Provincial Affordable Housing Strategy. It goes beyond the bricks and mortar of a home to prioritize people and focus on their success and well-being.

As part of the strategy, Seniors and Housing continued its commitment to invest \$1.2 billion in affordable housing and we amended the *Alberta Housing Act* to support the sustainability of the housing system and ensure tenants are treated fairly. We are currently developing the Indigenous Housing Capital Program thanks to the valuable input gathered during our listening tour with Indigenous Albertans and Indigenous-serving organizations.

Through our many housing programs, we provided housing support for more than 118,000 vulnerable Albertans with low income. My ministry has also maintained its commitment to renew and replace our aging stock of seniors' lodges and to upgrade fire and safety systems in lodges and care facilities.

Alberta's population of seniors is still on the rise. More than 570,000 people are over 65 and we expect more than one million seniors will call Alberta home in two decades. Seniors and Housing is working to ensure programs and services are in place to support them.

I was pleased to host the inaugural Minister's Seniors Advisory Forum in June 2017. These meetings are held twice a year and are opportunities for senior-serving organizations, researchers, policy makers, and advocates to provide input on matters that are important to seniors. We know many seniors are active, living longer, working longer, and are highly involved in their communities as volunteers. Seniors have told me that with the right supports they can continue to age in their communities.

In July 2016, we introduced a program to help seniors live in their homes longer. The Seniors Home Adaptation and Repair Program provides low-interest home equity loans to seniors so they can make repairs or adaptations such as installing a walk-in tub or new furnace. Since its inception, the program has received more than 2,300 applications. This response tells us there is a need for this program to continue.

Other financial assistance programs continue to help improve seniors' lives. For instance, the Alberta Seniors Benefit provided financial support to more than 150,000 seniors with lower income last year. Other program offerings help seniors remain in their homes by allowing them to defer property taxes and access a range of personal and health supports. We also ensure seniors with low-income living in long-term care can afford their accommodations fees.

In addition, Seniors and Housing continues its work to address and prevent elder abuse, encourage age-friendly communities and contribute to the development of accessible transportation option and the Office of the Seniors Advocate continues to be a strong and effective voice for Alberta seniors. All of these initiatives help make life better for seniors in our province.

Seniors and Housing has accomplished much over the past year. I look forward to continuing the ministry's work on these important initiatives for the benefit of all Albertans

[Original signed by]

Honourable Irfan Sabir for  
Honourable Lori Sigurdson  
Minister of Seniors and Housing

# Management's Responsibility for Reporting

The Ministry of Seniors and Housing includes the Department of Seniors and Housing and the Alberta Social Housing Corporation:

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Seniors and Housing. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – outcomes, performance measures and related targets match those included in the ministry's Budget 2017.

As Deputy Minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance, and the Minister of Seniors and Housing the information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Fiscal Planning and Transparency Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executives of the individual entities within the ministry.

[Original signed by]

*Kimberly Armstrong*  
*Deputy Minister of Seniors and Housing*  
*June 5, 2018*

## **Results Analysis**

## Ministry Overview

The Ministry of Seniors and Housing is comprised of three divisions, including Seniors Services, Housing, and Strategic Services, as well as the Alberta Social Housing Corporation (ASHC). The Minister of Seniors and Housing has also appointed a Seniors Advocate for Alberta under Ministerial Order (No. 001/2016). The Office of the Seniors Advocate operates under authorities provided under the Ministerial Order.

The ministry delivers numerous programs designed to meet the needs of Albertans. The merger of the Seniors Services and Housing Divisions into one ministry in 2014 has provided opportunities for the ministry to address mutual programs of interests, such as affordable housing options for seniors.

## Key Program Areas – Housing

The Ministry of Seniors and Housing is accountable for Alberta's seniors' lodges and social and affordable housing under the *Alberta Housing Act* and associated regulations. The ministry collaborates and establishes partnerships with a number of provincial housing providers to serve Albertans. This includes 102 housing management bodies (HMBs), established through Ministerial Order, that operate housing programs for the ministry throughout the province, in addition to over 350 other types of housing providers, including municipalities.

### DID YOU KNOW?

During the fiscal 2017-18 year, the provincial government provided approximately \$308 million in operating funding to support existing programs. This includes the approximately 47,000 units owned and supported by the ASHC and operated by public HMBs. The replacement value of these housing units is estimated at more than \$7 billion.

Government is committed to renewing existing affordable housing units and building new housing to meet Albertans' needs through capital investments.

## Housing Programs and Activities

### Rent Supplement Programs

HMBs administer the Direct to Tenant Rent Supplement and Private Landlord Rent Supplement programs. These programs allow Albertans to gain access to and continue to reside in suitable and affordable rental accommodation through the provision of financial assistance.

### Community Housing Program

HMBs administer rent-geared-to-income rental housing for low and moderate-income individuals and families.

### Seniors' Self-Contained Housing Program

Low and moderate-income seniors who are able to live independently can access apartment-type accommodations with rent based on their income.

## **Seniors' Lodge Program**

The Seniors' Lodge Program provides low to moderate-income seniors who are functionally independent with supportive housing services, including all meals, weekly housekeeping, recreation opportunities and 24-hour staff onsite. There are 156 seniors' lodges across Alberta that provide accommodations to approximately 9,500 seniors.

## **Special Needs Housing**

The ministry works with the Government of Canada to fund HMBs and nonprofit organizations to provide housing options for individuals with special needs, such as group homes for persons with disabilities. These housing options may include support services for residents with health issues or disabilities, survivors of family violence and wards of the provincial government.

## **Capital Initiatives**

### **Fort McMurray Housing**

In response to the 2016 wildfire, the Government of Alberta provided over \$700,000 in 2017-18 to the Wood Buffalo Housing Development Corporation (WBHDC) to meet housing needs in the Fort McMurray area.

### **Fire and Safety**

The Government of Alberta has committed \$80 million to address fire code and safety issues, including the installation of sprinklers and associated fire alarm systems in identified government-owned and supported seniors' lodges and continuing care spaces. The upgrade project began in 2015-16 and the work is nearing completion on this initiative.

### **Maintenance and Preservation**

The government is committed to ensuring that Albertans have appropriate housing options, and is doing so by preserving and maintaining existing housing stock. In 2017-18, Alberta Seniors and Housing spent approximately \$55 million on maintenance for government-owned and supported facilities.

## **Investments in Affordable Housing**

Through the *Provincial Affordable Housing Strategy* released in June 2017, the ministry is moving forward, in a thoughtful manner, on action items to increase the supply of affordable housing units across the province.

Exceptional progress has been made as a result of the \$1.2 billion investment. The ministry continues to increase capacity, complete needs assessments with proponents, and ensure the most effective and efficient designs.

To date, approved projects are on target for completion largely in accordance with the original scheduled completion dates. In order to ensure that the buildings and units we are creating meet the needs of Albertans now and in the future, the ministry has been thoughtful and strategic during the planning stages of the projects.

### **New Affordable Housing Supply**

As of 2017-18, the Governments of Alberta and Canada have committed \$281 million for additional new housing units in the system through capital funding, which will provide more affordable housing options for Albertans. Two projects that are scheduled to be completed in 2018-19 include the Fourth Dimension project in Calgary and the Permanent Supportive Housing (Balwin site) in Edmonton. Several projects will continue throughout 2018-19, including a variety of Habitat for Humanity projects across the province.

### **Sustainable Renewal Initiative**

As of 2017-18, the Governments of Alberta and Canada have committed \$520 million to renew or modernize approximately 2,260 community housing and seniors' self-contained and lodge units across the province through capital plan funding. In addition, HMBs and municipalities are contributing over \$50 million towards developing and modernizing these units.

In 2017-18, work on seven projects was completed representing an increase of 371 lodge units. The projects completed were the Bonnylodge Phase 2 in Bonnyville; Pioneer Lodge in Lloydminster; Beaverhill Lodge in Lamont; Bow River Lodge Phase 1 in Canmore; Prairie Rose Place in Sedgewick; Diamond Willow Terrace in Magrath; and Canora Gardens Restoration in Edmonton. Currently, 42 projects are underway in varying stages of construction with five scheduled for completion in 2018-19.

### **Indigenous Housing Capital Program**

In 2017-18, the ministry consulted with Indigenous Albertans and Indigenous-serving organizations as part of a listening tour, which was designed to provide the ministry with information to effectively design the Indigenous Housing Capital Program. After valuable input was received during the consultations, program design moved forward and has been completed. The program will begin accepting proposals in June 2018 with the intention of awarding projects in summer 2018.

It was recognized early on that consultation and collaboration are key to developing an effective program, and although this lengthened the timeline for program announcement, it will result in housing options that are safer, healthier, culturally appropriate and Indigenous governed.

### **Investments**

The Government of Alberta has committed to a capital investment of \$1.2 billion to build, renovate and modernize affordable housing across Alberta. The \$1.2 billion capital investment includes investments in the renewal and renovation of existing housing stock, as well as the building of new affordable housing.

Through the Capital Plan, the Government of Alberta has committed to delivering approximately 4,100 new affordable housing units.

## Key Program Areas – Seniors Services

As of January 2018, over 570,000 people age 65 years and older called Alberta home, which equals approximately 13 per cent of Alberta's population. Alberta's seniors are vibrant members of our communities who contribute to the economic well-being and social fabric of the province through sharing their knowledge, experience, and time in the form of volunteerism.

### CHANGING DEMOGRAPHICS IN ALBERTA

On average, 125 Albertans turn 65 years old every day. According to Alberta Treasury Board and Finance projections, there will be approximately one million seniors in Alberta by 2037.

## Seniors Financial Assistance Programs

The ministry offers a variety of financial assistance programs to help improve the lives of Alberta's seniors, including the Alberta Seniors Benefit, Supplementary Accommodation Benefit, Special Needs Assistance for Seniors, Seniors Property Tax Deferral Program, and the Seniors Home Adaptation and Repair Program, all of which provide direct financial assistance to seniors.

### **Alberta Seniors Benefit (ASB)**

ASB is an income-based program supporting seniors with low income. This financial assistance is intended to supplement the Government of Canada's Old Age Security and Guaranteed Income Supplement programs. Currently, each month, more than 156,000 Alberta seniors receive an average of \$140 through the ASB, with a total of \$281 million distributed in 2017-18.

### **Supplementary Accommodation Benefit (SAB)**

The SAB is provided to more than 12,600 seniors with low income residing in long-term care or designated supportive living facilities. This benefit ensures these individuals have \$315 disposable income each month after paying care facility accommodation charges. In 2017-18 approximately \$81 million was distributed by SAB.

### **Special Needs Assistance for Seniors (SNA)**

SNA is unique to Alberta. This program provides seniors with low-income financial assistance to help with some of the costs of furniture and appliances, as well as a range of health and personal supports. In 2017-18, the SNA program distributed \$26.4 million to approximately 31,000 Alberta seniors.

### **Seniors Property Tax Deferral Program (SPTDP)**

The SPTDP helps seniors to defer all or part of their residential property taxes through a low-interest home equity loan with the Government of Alberta. The government pays the property taxes on the senior's behalf and the senior repays the loan when the home is sold, or sooner if they wish. The program is intended to help seniors maintain independence in their homes and communities by freeing up money to cover other household and personal expenses.

## **Seniors Home Adaptation and Repair Program (SHARP)**

Introduced on July 1, 2016, SHARP helps eligible seniors to finance home repairs and adaptations through a low-interest home equity loan with the Government of Alberta. Seniors with low income who are not eligible for the government-provided loan (e.g. have insufficient equity) may receive a grant for basic and essential home repairs. Eligible repairs and adaptations include those that support the maintenance, structural integrity and energy efficiency of the home. In addition, modifications for the health, safety or mobility of senior residents are also eligible under the program. In 2017-18, SHARP distributed over \$8.3 million in loans and more than \$450,000 in grants. The average loan amount was approximately \$12,700.

## **Engagement with Seniors, Stakeholders, and Communities**

The ministry engages with government and community partners to develop strategic policy initiatives and provide information on programs and services to seniors, their families and service providers.

### **Elder Abuse Prevention**

The ministry works to promote the safety and well-being of Alberta's aging population by raising awareness and leading initiatives aimed at addressing and preventing elder abuse. In 2017-18, engagement sessions were held to gather information from the Alberta Elder Abuse Awareness Council, coordinated community response service providers and other government ministries to inform the ministry's future direction for addressing elder abuse.

### **Seniors' Events and Initiatives**

The ministry collaborates with stakeholders and partners to deliver events such as Seniors' Week, the Minister's Seniors Service Awards, and the Grey Matters Conference. The purpose of the events are to recognize, celebrate and support seniors, as well as senior-serving agencies.

### **Alberta's Age Friendly Communities Initiative**

The ministry encourages and supports Alberta communities in becoming age-friendly. Citizens in age-friendly communities are supported in maintaining their independence and preventing illness and injury. Access to supports and services required to age in their chosen communities is key to healthy living. The initiative includes information workshops, resources, and the Age Friendly Alberta Recognition Program. The ministry also strives to encourage and contribute to the development of affordable and accessible transportation options.

### **Seniors Advocate**

Alberta's Office of the Seniors Advocate provides information to seniors and their families on issues related to government-funded programs, supports and services. The Advocate also advises the government on the issues seniors and their families are facing. The Seniors Advocate reports directly to the Minister of Seniors and Housing, and provides the Minister with an annual report summarizing the Advocate's activities in that year. This report is tabled in the Legislative Assembly.

### **Minister's Seniors Advisory Forum**

The Minister's Seniors Advisory Forum provides an opportunity for the Minister and the department to engage with representatives of senior-serving organizations, researchers, policy makers and advocates to receive input on matters relevant to Alberta seniors, which informs decision-making and policy development. In 2017-18, there were two meetings of the Seniors Advisory Forum, the first taking place in June 2017 and the second in November 2017. There was valuable discussion at both meetings of the forum. Attendees provide advice and

feedback to the Minister on a wide variety of topics and issues of concern for senior Albertans.

## **Update on Strategic Risks**

### **Strategic Risks during the 2017-18 Annual Reporting Period**

The ministry assessed that a sustained economic downturn may result in resource strains through increased demand for housing and social support programs. In particular, there was reasonable potential that increased demand for housing would exacerbate already existing shortages in some areas.

There were also concerns that unexpected changes in funding levels or eligibility requirements relating to housing and support programs from other levels of government would impact the ministry. For example, program changes by other levels of government could affect the income of Alberta seniors and, in turn, affect benefits and supports offered by the Ministry of Seniors and Housing during its three-year business cycle.

### **Future risks**

After a period of low world oil prices, the financial situation in Alberta is improving. There have been reports of improvement in employment levels and investment in the oil and gas sector. There is an expectation this period of economic improvement will continue into 2018 and 2019.

Natural disasters, such as fires and floods, have the potential to affect initiatives planned by the ministry through the diversion of resources to the management and recovery from those emergencies.

The ministry will continue to monitor these risks, which were carried over and noted in the 2018-21 Business Plan.

## Analysis of Results

### ***Outcome One***

***Seniors have access to programs, services, and supports that help them live safely and independently in their chosen communities.***

### **Key Strategies**

#### **1.1 Provide individual and community-based programs and services that support seniors to live and participate in their chosen communities.**

In 2017-18, the Ministry of Seniors and Housing accomplished a number of important goals. Not the least of which is the ongoing work of supporting seniors to be safe and independent in Alberta. Below are some highlights:

#### **Supports for Independence**

- ✓ More than 156,000 seniors received monthly payments from the Alberta Seniors Benefit, totaling \$281 million.
- ✓ Approximately 31,000 seniors received benefits from the Special Needs Assistance for Seniors program, totaling \$26.4 million.
- ✓ The Seniors Home Adaptation and Repair Program (SHARP) has received over 2,300 applications between the program's inception in July 2016 and March 31, 2018. In 2017-18, SHARP paid out more than \$8.3 million in loans and more than \$450,000 in grants. The average loan amount was approximately \$12,700.
- ✓ The Seniors Property Tax Deferral program also provided 2,125 low-interest home equity loans in 2017-18, and approximately 9,000 loans since 2013 when it was introduced to aid seniors in remaining independent in their own homes.
- ✓ An average monthly Supplementary Accommodation Benefit of about \$495 was provided to more than 12,600 seniors who live in long-term care and designated supportive living facilities. This benefit ensures residents have at least \$315 remaining in disposable income each month after paying care facility accommodation charges.
- ✓ Seniors' Self-Contained Housing contributed \$3.4 million in operational support to HMBs, assisting 14,000 seniors living in over 14,250 self-contained units.
- ✓ Alberta Seniors and Housing provided \$39 million to HMBs providing accommodations for over 9,500 seniors living in approximately 10,300 lodge units.

## Keeping Seniors Informed

To ensure Alberta's seniors are aware of any benefits for which they may be eligible, Alberta Health sends all Albertans information and a Seniors Financial Assistance application package three months before they turn 65 years old. Through this single application, seniors are able to enroll in Seniors Financial Assistance programs, Alberta Health's Dental Assistance and Optical Assistance programs and Alberta Blue Cross Coverage for Seniors.

## Age and Dementia Friendly Communities

In an age-friendly community, the policies, services and structures related to the physical and social environment are designed to help seniors "age actively." Alberta's Age-Friendly initiative continues to encourage and support communities to be more inclusive and welcoming for aging populations and helps seniors live more active, independent and happier lives. Alberta Seniors and Housing is working with provincially recognized communities to create an Age-Friendly Community of Practice to support networking and knowledge transfer among communities interested in age-friendliness. The ministry partnered with the Sage Seniors Association to raise awareness of the importance of planning for aging in community, helping individuals to consider what they can do now to improve their life as they age.

In September 2016, Alberta Seniors and Housing provided grant funding to Alberta Innovates to support work with the Brenda Strafford Foundation (BSF) to implement and evaluate Dementia-Friendly Communities in Calgary and Okotoks. This work continued in 2017-18 and includes significant community collaboration. The BSF is educating and engaging schools, banks, fire departments and many others in their communities to help reduce the stigma and barriers faced by persons living with dementia. An implementation toolkit will be developed by the end of the project, and will be available to all Alberta communities. This project is directly supportive of Alberta Health's *Alberta Dementia Strategy and Action Plan*.

## Transportation Options

Transportation is vital to helping seniors stay engaged and connected in their communities. The Government of Alberta continues to collaborate with many partners, including the University of Alberta's Medically At-Risk Driver (MARD) Centre, to improve transportation options available to seniors in our province.

In addition to the development of the Alternate Transportation for Seniors Toolkit, MARD currently has a number of other projects either completed or underway, including funding to:

- The Wetaskiwin Community Transportation Society for the Implementation and Assessment of Ride-Scheduling Software for Alternate Transportation for Seniors;
- Pincher Creek for the Validation of the Transportation Toolkit;
- The Big Lakes Family and Community Support Services to pilot integration of alternate transportation services in remote communities; and
- The Yellowhead West and Sturgeon County Regions for the Regional Alternate Transportation for Seniors Pilot Project.

Additionally, enhancements to the medical trip benefit under the Special Needs Assistance for Seniors program, which came into effect on July 1, 2017, helped to make it more accessible and effective for Alberta's seniors. Changes to the medical trip benefit included:

- Qualifying roundtrip distance reduced to 80 kilometers – previously 100 kilometers;
- Increasing the amount available for fuel costs for seniors who travel more than 400 kilometers to their appointment;
- Overnight accommodation amount increased from \$75 to \$100;
- A one-time payment of \$85 to help with medical transport costs (i.e. paramedical or ambulance services) when an eligible senior moves from a long-term care facility to another care facility; and

- A Provincial Needs Assessment for seniors and persons with disabilities and upcoming Cost-Benefit Analysis of Alternate Transportation for Seniors Services.

Alberta Seniors and Housing supported the Edmonton Seniors Coordinating Council (ESCC) and the Drive Happiness Coordinating Committee in their development of a Centre of Excellence and Collaboration Hub.

The project builds on community connections, identifies opportunities for collaboration, and engages with community and health stakeholders to create sustainable transportation for seniors. The results and learning will be beneficial to all communities throughout Alberta.

## **Celebrating Seniors and Their Communities**

The ministry co-hosts the annual Grey Matters Conference, which supports front-line staff from agencies and organizations across the province that provide supports and services to seniors. Conference attendees have opportunities to network with colleagues and learn new information and approaches to meeting seniors' growing needs. The 2017 conference, co-hosted with the Town of Hinton, was attended by approximately 300 people.

Since 1986, the Government of Alberta annually declares the first full week of June as Seniors' Week to celebrate seniors and their contributions to the province. From June 5-11, 2017, numerous events took place in communities throughout Alberta, including barbecues, dances, information fairs, and pancake breakfasts. Fully, 165 community events were registered on the online Seniors and Housing Events Calendar, and 38 communities showed their support for local seniors by officially declaring Seniors' Week.

## **1.2 Support increased awareness of elder abuse and local community models that address and prevent elder abuse.**

Preventing and addressing elder abuse is an ongoing priority for the ministry. With the understanding that all sectors and citizens have roles in preventing and addressing elder abuse, Alberta Seniors and Housing works with a variety of stakeholders to increase awareness and help Albertans recognize elder abuse and know where to go for help. The ministry strives to ensure information about all programs is delivered to seniors and all communities.

### **Elder Abuse Awareness**

In 2017-18, ministry staff provided over 482 presentations, displays and other events about seniors' programs, including information on the services available to address elder abuse, throughout the province. Alberta Seniors and Housing has provided training to front-line service providers throughout Alberta to increase their knowledge and awareness of elder abuse prevention and how to respond to the needs of those impacted.

Since 2012, close to 1,400 service providers have received training, including "train the trainer" sessions for 200 service providers that certified them to deliver training in their communities or sectors. In addition to the training focused on service providers, in 2017-18 Alberta Seniors and Housing provided presentations, workshops, and events to over 420 seniors and service providers.

In 2017-18, ministry staff collaborated with Enoch First Nations to develop and deliver a customized training workshop on elder abuse. The ministry also supported capacity building in communities around the province through the Taking Action Against Elder Abuse Coordinated Community Response Grant Program by providing funding to develop or enhance coordinated response models to address and prevent elder abuse at the local level. In 2017-18, funding was provided to 28 communities through this grant program. Ministry staff worked closely with these communities to support the development of their coordinated community response model for elder abuse prevention.

The ministry also supported organizations involved in the grant program by delivering five training events customized to address elder abuse from a coordinated community response perspective.

The grant program has provided total funding of over \$3.6 million to 31 communities since 2014. Ministry staff will continue to work closely with all coordinated community response models to support their ongoing development.

In 2017-18, Alberta Seniors and Housing provided funding to the Alberta Elder Abuse Awareness Council to co-host the elder abuse conference “Face It: Elder Abuse Happens” held on May 1 and 2, 2018.

### **1.3 Upgrade fire and safety systems in government-owned and supported seniors’ supportive living accommodations to meet provincial building code standards.**

Alberta Seniors and Housing is committed to enhancing the safety of seniors in the province by completing the upgrade of 4,800 seniors’ lodge units and 1,800 government-supported continuing care spaces. To accomplish this, the ministry conducted an assessment of the spaces to prioritize projects and entered into a competitive request for proposal process before awarding contracts and starting work in 2015-16. Work is nearing completion on this initiative.

### **1.4 Explore approaches to effectively respond to current and future needs of the diverse population of seniors who reside in the province.**

As a way to engage with our stakeholders and seek input on matters relevant to Alberta seniors, the ministry created the Seniors Advisory Forum (the Forum). The inaugural meeting took place in June 2017. The Forum presents a unique opportunity to improve the way we engage, and allows opportunities for stakeholders to voice concerns and provide feedback, directly to government, on a range of topics. Two forums have been held where forum participants have discussed emerging areas and challenges related to seniors and an aging population, and have provided input on the three key priorities of the Federal, Provincial and Territorial Ministers Responsible for Seniors, which include: Aging in Community, Ageism and Labour Force Participation of Older Workers.

To increase public awareness of the rich and diverse history of Alberta’s seniors, the Government of Alberta declared October 1, 2017 International Day of Older Persons. The ministry joined with other community groups across the province to celebrate the day. In addition, the Government of Alberta annually declares the first full week of June as Seniors’ Week to celebrate seniors and their contributions to the province.

Alberta Seniors and Housing collaborated with Alberta Health to support Mental Health First Aid Seniors training. Mental Health First Aid Seniors training is intended to increase the capacity of seniors, families, caregivers, friends, communities and staff in care settings to promote mental health, prevent mental illness and intervene early when problems first emerge.

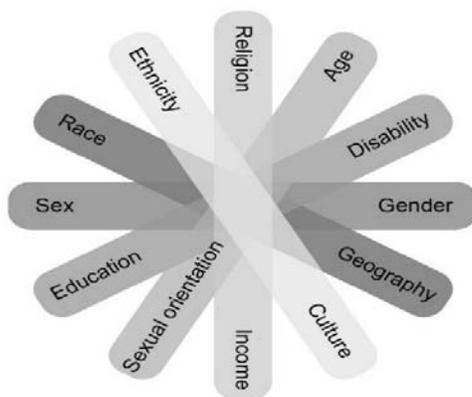
In 2017-18, five training sessions were delivered in the communities of Sylvan Lake, Edmonton, Airdrie and Calgary. A total of 79 Albertans completed the training. Upon completion, over 97 per cent of these participants indicated the training prepared them to recognize symptoms of mental health problems, offer help and guide a senior or their caregiver to appropriate resources and professional services. Additional training sessions will continue free of charge in 2018-19.

## Intersectional Analysis: Now and in the Future

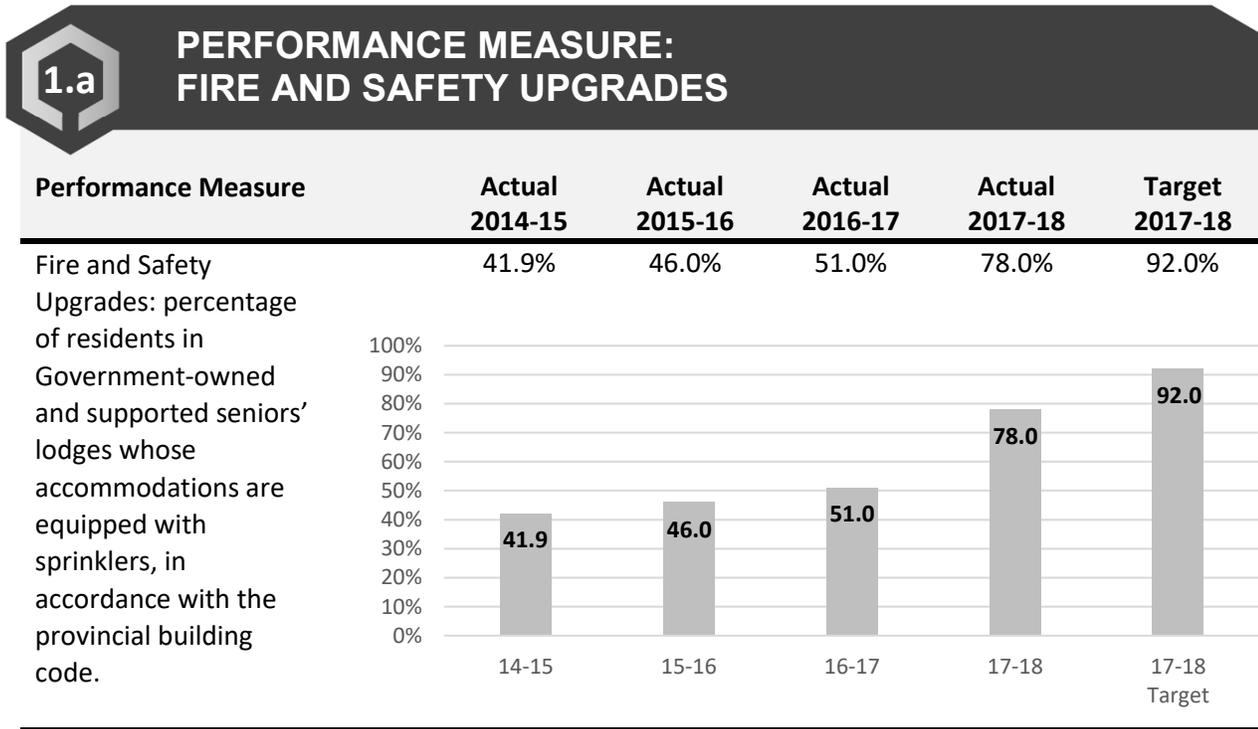
### Did You Know?

Gender Based Analysis Plus (GBA+) is a tool used by the Government of Alberta to ensure the diverse needs of Albertans are reflected in our engagement processes, policies, programs and initiatives.

Alberta Seniors and Housing developed a GBA+ Framework, which outlines the ministry's approach to implementing GBA+ into all aspects of our work. As part of this implementation, new GBA+ training and resources were developed for Seniors and Housing employees to improve their capacity to apply GBA+ to the unique work of this department. Implementation of the objectives of the framework will enhance the department's capacity to apply GBA+ and support the advancement of diversity and gender equality in Alberta.



## PERFORMANCE MEASURES AND INDICATORS



### Analysis

Across Alberta, there are 156 seniors' lodges that provide accommodation to many low - to moderate-income seniors. To help ensure the safety and well-being of residents, it is a priority of the Government of Alberta to monitor the percentage of residents whose accommodations are equipped with a fully functional sprinkler system. As of March 31, 2018, 78 per cent of residents had lodge accommodations that were equipped with such sprinkler systems. This equates to 123 lodges with completed sprinkler systems and 33 that do not.

While the current result of 78 per cent does not meet the stated target of 92 per cent, significant progress has been made in making these accommodations safe for residents. Specifically, this year's result represents an increase of 27 per cent over last year's result of 51 per cent.

Among the 33 lodges that reported they do not have a fully functional sprinkler system, 23 indicated they were in varying stages of their sprinkler implementation projects. Eight lodges reported that their existing facility is scheduled for replacement within the next two years and therefore the decision was made to not upgrade. Two lodges indicated they do not have a fully functional sprinkler system and are under review.

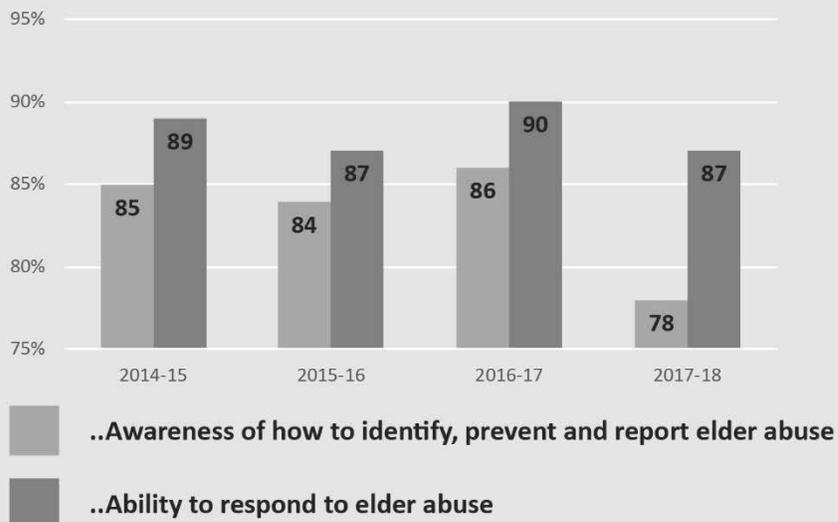
As part of its commitment to enhancing the safety of accommodations for seniors, the province committed to completing fire and safety upgrades by 2018-19 for those lodges that qualified for funding under the Fire and Safety Upgrade Program. Much of the progress that is currently underway, as reflected by those lodges where sprinkler implementation projects are ongoing, is due to the investments made under this program.

# 1.a

## PERFORMANCE INDICATOR: AWARENESS OF ELDER ABUSE

This performance indicator provides insight into the awareness of elder abuse, the signs of elder abuse and elder abuse resources.

### 1.a: Post-training, the percentage of community service providers who reported increased...



Preventing elder abuse is an ongoing priority for the Government of Alberta and, in particular, the Ministry of Seniors and Housing. With the understanding that all sectors and citizens have a role in preventing and addressing elder abuse, our ministry works with a variety of community and government partners to increase awareness and help Albertans recognize and report abuse.

In particular, the ministry has provided training to front-line service providers throughout Alberta to increase their knowledge and awareness about elder abuse prevention and how to respond to the needs of those impacted. Between 2012 and 2018, approximately 1,400 service providers received training, including 200 service providers who took the “train the trainer” sessions, which certified them to deliver workshops in their community or sector. In addition to the training sessions, ministry staff provided six presentations in 2018-19 directly to seniors to raise awareness about elder abuse and where to go to find help<sup>1</sup>.

The above performance indicator reports on the percentage of service providers who indicate an increased awareness of how to identify, prevent and report elder abuse, as well as an increased ability to respond, post-training. As training is provided, we expect service providers to reach a point of saturation at which yearly increases in awareness will drop. A recent grant program to support increased coordinated community response models (CCR) throughout Alberta may have also attributed to increased knowledge amongst service providers, outside of training. Going forward, we will seek out other measures allowing us to identify additional training requirements to ensure elder abuse awareness, prevention and response remains high.

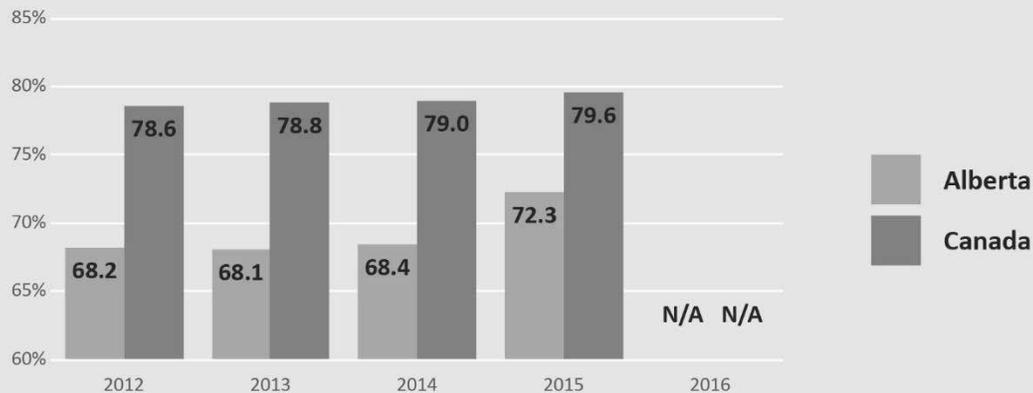
<sup>1</sup> Data source: Seniors Strategic Planning administrative records, Alberta Seniors and Housing.



## PERFORMANCE INDICATOR: SENIORS INCOME RELATIVE TO POPULATION

This indicator provides context on seniors' quality of life in Alberta.

### 1.b: Seniors' median income as a proportion of population median income



\*Data for this indicator is updated by Statistics Canada every calendar year with a one year lag

This performance measure refers to the median income of seniors as a proportion of the median income of the general population. In other words, when compared to the median income of the general population, this indicator shows what percentage of seniors have comparable median incomes.

In 2015, 72.3 per cent of Alberta seniors reported a median income that is comparable to the median income reported by Alberta's population as a whole. Compared to their Canadian peers, Alberta's seniors are observed to have a lower proportion of seniors achieving income parity with the general population. Between 2014 and 2015, Alberta's seniors were observed to have an increased proportion of seniors with comparable median incomes. This suggests that compared to the general population, Alberta seniors are achieving higher levels of income parity.

Alberta Seniors and Housing has a variety of programs available to help support seniors with low to moderate income, including:

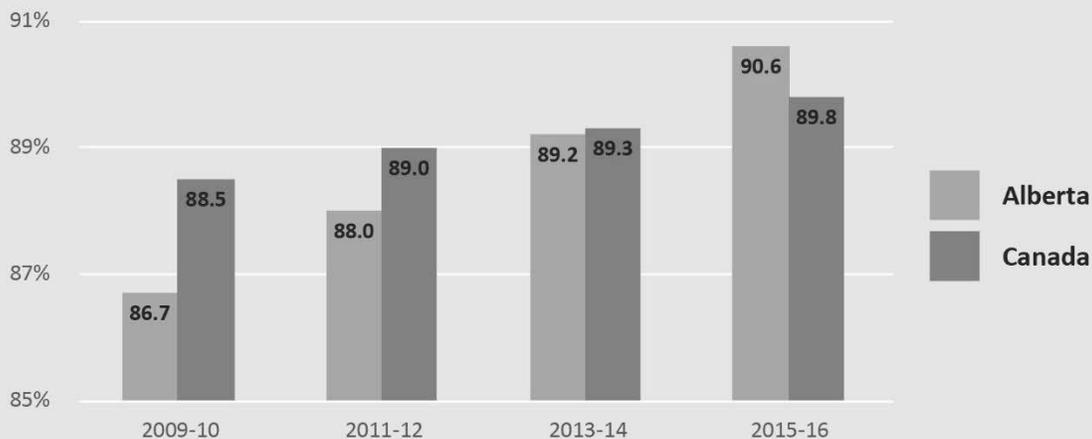
- Alberta Seniors Benefit, which offers a monthly benefit to eligible seniors to supplement federal income sources including Old Age Security, Guaranteed Income Supplement and the Canada Pension Plan;
- the Seniors Home Adaptation and Repair Program, which provides low-interest home equity loans and grants for home repairs and adaptations;
- Special Needs Assistance for Seniors, which provides up to \$5,000 in financial assistance to help seniors with low income afford essential health and personal supports as well as furniture and home appliances; and,
- Seniors Property Tax Deferral, a voluntary program which helps seniors defer their residential property taxes through a low-interest home equity loan.



## PERFORMANCE INDICATOR: SENIORS' LIFE SATISFACTION

This indicator provides context on seniors' quality of life in Alberta, compared to the national average.

### 1.c: Percentage of Alberta seniors reporting life satisfaction (satisfied or very satisfied)<sup>2</sup>



This indicator provides context on seniors' quality of life in Alberta by asking seniors to rate their life satisfaction. Life satisfaction is based on a self-reported score from zero to ten for how respondents feel about their life as a whole at that moment. Satisfied or very satisfied represents those who indicate a value of six or more out of ten. In 2015-16, approximately 91 per cent of Alberta seniors reported being satisfied or very satisfied with their life, compared to 90 per cent of Canadian seniors. Over the last four survey cycles, Alberta has seen increases in the self-reported levels of life satisfaction among seniors.

Alberta Seniors and Housing has a variety of programs and initiatives to help seniors age in their communities and report higher levels of life satisfaction. Such programs include the Seniors Home Adaptation and Repair Program, which provides low-interest home equity loans and grants for repairs and accessibility modifications and the Seniors Property Tax Deferral program that helps seniors defer part, or all, of their residential property tax.

Financial supports are available to seniors with low income through the Alberta Seniors Benefit and Special Needs Assistance for Seniors programs.

The value that seniors provide to their communities is highlighted through various ministry initiatives, such as the celebration of Seniors' Week, the Minister's Seniors Service Awards, and the Grey Matters Conference. Alberta Seniors and Housing also leads engagement amongst government, community organizations, and seniors in order to raise awareness and develop strategic policy initiatives regarding issues facing Albertan seniors. Specific initiatives include creating Age Friendly Communities, Elder Abuse Awareness, and providing transportation options through the Medically At-Risk Driver Centre and the Drive Happiness program.

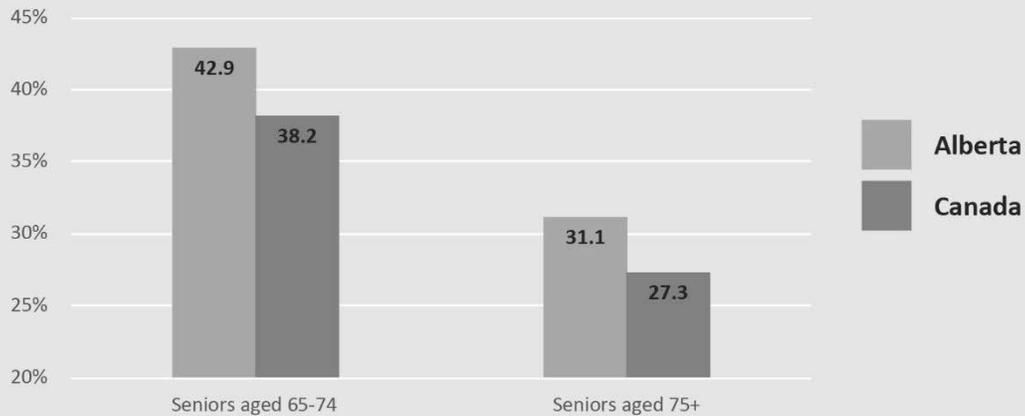
<sup>2</sup> Canadian Community Health Survey had a major redesign project that was completed and implemented for the 2015 cycle. Results from the 2015-16 survey are not directly comparable to previous years



## PERFORMANCE INDICATOR: SENIORS' VOLUNTEER RATE

This performance indicator looks at the rate Alberta seniors volunteer as compared to all seniors and Canada.

### 1.d: Seniors' volunteer rate



This performance indicator describes the rate at which seniors in Alberta volunteer as compared to the Canadian average. Community involvement in the form of volunteerism can be an important part of remaining active in one's community and, therefore, improving social outcomes for seniors. The Government of Alberta remains committed to assisting seniors to remain active in their communities and celebrating outstanding Albertans of any age who volunteer their time to make a difference in the lives of seniors with initiatives. The ministry does this through initiatives such as the Minister's Seniors Services Awards and the Alice Modin Award. The Alice Modin Award recognizes an individual or couple who is 65 years of age or older and has been volunteering in their community for 20 years or more, actively promotes volunteerism amongst seniors or in support of seniors, and/or has had a provincial impact for seniors through their volunteer efforts.

Within Alberta, approximately 43 per cent of seniors aged 65 to 74 years reported volunteering compared to 38 per cent of Canadian seniors of the same age. For those aged 75 years or older, the average drops to 31 per cent but is still four percentage points higher than the Canadian average for those of the same age.

Going forward, the ministry will explore development of a number of other performance indicators for inclusion in the 2019-22 Business Plan.

## **Outcome Two**

***Albertans have access to appropriate housing and housing supports.***

### **Key Strategies**

#### **2.1 Work with housing providers and stakeholders to advance the actions of the *Provincial Affordable Housing Strategy*.**

On June 26, 2017, the *Provincial Affordable Housing Strategy* (Strategy) was released. The Strategy provides guidance on the development of an affordable housing system that is effective and sustainable to meet future needs of Albertans. Examples of actions under the Strategy include investing \$1.2 billion for housing capital needs, reviewing and updating *Alberta Housing Act* regulations and development of the Indigenous Housing Capital Program.

Implementation of the Strategy is supported through a stakeholder advisory structure that consists of a steering committee and several working groups. Membership includes representatives from a broad range of housing stakeholders, including housing associations, HMBs and government ministries such as Alberta Health, Alberta Community and Social Services, and Alberta Municipal Affairs.

In 2017-18, stakeholders provided advice on effective, coordinated implementation of specific actions in the Strategy, with an initial focus on the actions that are most time sensitive and have the greatest impact on HMBs. This has included advice to support effective implementation of amendments to regulations under the *Alberta Housing Act*, input into the ongoing development of options for a tenant support worker program, a best practice tenant dispute resolution process, methods to improve data collection, and ensuring the long term sustainability of the Seniors' Lodge Program to meet the needs of seniors in their community.

In 2018-19, the ministry will continue implementation of the action items in the Strategy in collaboration with the Steering Committee and working groups to ensure stakeholders are engaged and have the opportunity to provide advice on the implementation of other key actions.

“Living in Government-Supported housing shouldn’t stand in the way of people who want a better job or to save for the future. With the new Affordable Housing Strategy, our government is standing behind families, not in their way. New tools will help people save, get better jobs and live in safe, secure homes”

Lori Sigurdson  
Minister of Seniors and Housing  
June 26, 2017

## 2.2 Work with housing providers and stakeholders to implement updated regulations under the *Alberta Housing Act*.

Amendments to the regulations under the *Alberta Housing Act* came into force in two phases: administrative amendments on September 1, 2017 and amendments reflecting policy changes related to actions under the *Provincial Affordable Housing Strategy* (Strategy) on January 1, 2018.

To support the implementation of the regulations, the ministry developed various tools, including an Interpretation Guide for housing providers, to support implementation of the regulatory changes.

The Interpretation Guide, issued in September 2017, was updated prior to the January 1, 2018 regulatory amendments coming into force and continues to be improved through input from housing providers.

In 2018-19, the ministry intends to replace the Interpretation Guide with a refreshed program and administration manual to support housing providers in delivering affordable housing that falls under the *Alberta Housing Act*. This work is being done with advice from housing providers using the working groups established to support implementation of the Strategy.

The ministry is also in the process of developing an evaluation for mixed-income housing models by piloting the recently completed Parkdale ONE building, in partnership with the Capital Region Housing Corporation. The intent of this model is to improve housing stability, support sustainability and reach a broader range of households in need.

## 2.3 Continue to invest in the regeneration and renewal of existing supply and the building of new supply of affordable housing options through collaboration with other levels of government and housing providers.

Over the past year, Alberta Seniors and Housing has consulted with the Government of Canada, other provincial/territorial jurisdictions, municipalities and housing providers to consider how to best develop and deliver sustainable affordable housing.

Alberta Seniors and Housing represented the province on the Federal/Provincial/Territorial Housing Forum, collaborating on key partnership initiatives and acknowledging the release of the Government of Canada's *National Housing Strategy*. In 2018, the Government of Alberta endorsed a Multilateral Framework that will define the housing partnership between the Government of Canada and the Government of Alberta. The multilateral framework will facilitate future bilateral negotiations for cost-shared investments under the *National Housing Strategy* to replace funding agreements that expire after 2018-19.

Alberta Seniors and Housing established and is leading a Collaborative Table on Affordable Housing with Edmonton, Calgary and three other ministries (Community and Social Services, Health and Municipal Affairs) to make life better for Albertans in need of affordable housing and related supports through an ongoing commitment to collaborate on and inform affordable housing matters of common interest, including homelessness.

The Collaborative Table on Affordable Housing established a terms of reference and agreed to work on a variety of issues of mutual concern. Action completed by this group in 2018 included reviewing the Government of Alberta and the Cities of Edmonton and Calgary capital planning processes and timelines, as well as the proposed 2018 capital projects.

Alberta Seniors and Housing also held discussions with several Indigenous and Indigenous-serving organizations as part of a June 2017 engagement process to examine the affordable housing needs of Indigenous peoples living off-reserve. The information obtained during this engagement process will inform the development of the Indigenous Housing Capital Program. This work is part of the

ministry's commitment to implementing the principles and objectives expressed in the *United Nations Declaration on the Rights of Indigenous Peoples*.

## 2.4 Develop and implement an affordable housing program to provide affordable housing options for off-reserve Indigenous populations in the province.

In 2016, the Government of Alberta committed to honouring the principles and objectives of the *United Nations Declaration on the Rights of Indigenous Peoples*, including improving Indigenous peoples' socio-economic outcomes, such as access to housing. In Capital Plan 2016, Cabinet actioned that commitment by approving \$120 million in funding over multiple years to increase the supply of off-reserve, non-market affordable housing for Indigenous peoples in need.

Alberta Seniors and Housing conducted a province-wide listening tour in summer 2017 to engage with Indigenous persons and Indigenous-serving organizations to inform the development of the Indigenous Housing Capital Program.

Some key findings from the engagement process include:

- Families are the demographic most in need of affordable rental housing;
- The most needed type of housing is three and more bedroom units;
- Housing needs to be in safe and secure neighbourhoods, close to wraparound supports, grocery stores, schools and transit;
- Culturally sensitive housing is required to accommodate multi-generational housing, with communal spaces for meetings and ceremonies, such as smudging; and
- Indigenous housing must be designed and delivered by Indigenous governments or organizations that are accountable to their communities and citizens.

These findings from the engagement were used in the design of the program, and include a prioritization of housing for families (three or more bedroom units), housing that is more culturally sensitive, is in safe and secure neighbourhoods, close to amenities, and designed and delivered by Indigenous governments or organizations for Indigenous people. The program will be implemented in summer 2018.

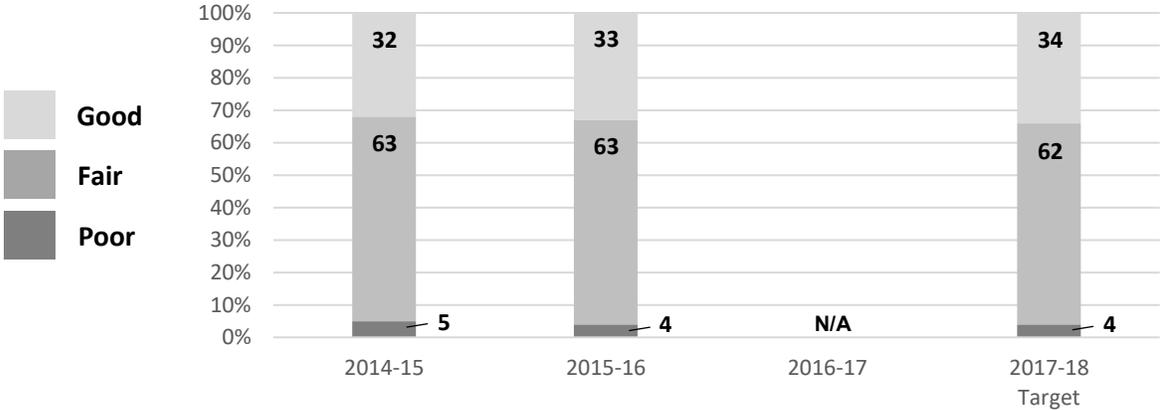
# PERFORMANCE MEASURE AND INDICATOR

## 2.a PERFORMANCE MEASURE: FACILITY CONDITION

Performance Measure	Actual 2014-15	Actual 2015-16	Actual 2016-17	Target 2017-18
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Affordable Housing  
Facilities – Physical  
Condition: Percentage in:

- Good condition                    32%                    33%                    Not Available                    34%
- Fair condition                    63%                    63%                    Not Available                    62%
- Poor condition                    5%                    4%                    Not Available                    4%



### Analysis:

Historically, this measure has been relatively stable with results that generally fluctuate between categories by only one or two percentage points each year. Unfortunately, the required data for comparison to the targeted percentages is not available at this time.

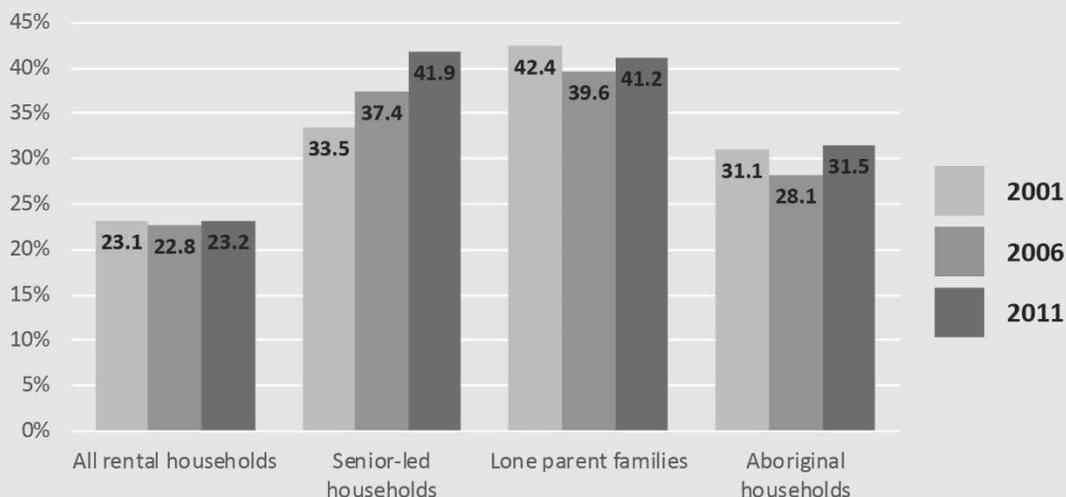
This measure is included in the 2018-21 Business Plan and it is expected results will be available for reporting in the 2018-19 Annual Report.

## 2.a

# PERFORMANCE INDICATOR: CORE HOUSING NEED

This indicator provides information on the proportion of Albertans in rental households who are in core housing need.

### 2.a: Percentage of Alberta rental households in core housing need



\*2016 Census data not available.

Core housing need describes households living in dwellings considered inadequate in condition, not suitable in size, and unaffordable. Housing is defined as **adequate** when it does not require major repairs, according to its residents. Housing is considered **suitable** when it has enough bedrooms for the size and make-up of resident households, according to the National Occupancy Standard (NOS). Finally, housing is deemed **affordable** when its shelter costs represent less than 30 per cent of before-tax household income. A household is in core housing need if its housing is unsuitable, inadequate or unaffordable, and if household income is such that it cannot afford alternative housing in the local market.

Within Alberta, there is considerable variation across demographic groups. Specifically, among all rental households, approximately 23 per cent are considered to be within core housing need. However, compared to senior-led households and lone-parent households, it is observed that 42 per cent and 41 per cent respectively are within core housing need. Among Indigenous households, which focuses only on those who are living off-reserve, 31.5 per cent of household are considered in core housing need.

The Government of Alberta is working to reduce core-housing need by providing increased supports for these vulnerable populations. For example, an Indigenous Housing Capital Program has been created to provide off-reserve, affordable rental units for Indigenous households. Additionally, amendments have also been made to the Social Housing Accommodation Regulations (SHAR) to help increase access to subsidized housing for those who were previously not eligible.

## **Performance Measure and Indicator Methodology**

### **Performance Measure 1.a: Fire and Safety Sprinkler Upgrades**

#### **Methodology**

The data on government-owned and supported seniors' lodges is obtained from Seniors and Housing databases and records. For those lodges where information has not been updated, staff contact the lodges directly to determine if the lodge has a completed sprinkler system (in accordance with provincial building codes), has a partially completed sprinkler system, or does not have a sprinkler system.

The final result is calculated as follows:

1. Among those lodges that have a completed sprinkler system, the number of accommodations within each lodge is totaled.
2. Ratio of accommodations in lodges that have completed sprinkler systems is calculated.

$$\frac{\text{total \# of accommodations with completed sprinkler systems}}{\text{total \# lodge accommodations}}$$

3. Next, the percentage of lodge accommodations with completed sprinkler systems is calculated by multiplying the ratio by 100%.

$$\frac{7,896 \text{ accommodations with sprinklers}}{10,123 \text{ total number of accommodations}} * 100\% = 78\%$$

For the purposes of this performance measure, lodges that did not have any residents as of March 31, 2018 were not included in the calculation of the result.

#### ***Performance Indicator 1.a***

Data for the elder abuse indicator is collected by the trainers at workshops, entered into electronic format and provided to Seniors Services as requested. The survey is conducted pre- and post-training, and participants are asked to identify the following before and after the session:

- Ability to identify elder abuse
- Ability to respond to elder abuse

Results for 2017-18 are based on five workshops held in rural Alberta. Of 152 participants, 115 completed the post-training survey. The final indicator value is calculated by dividing the number of community service providers who reported increased awareness of how to identify, prevent and report elder abuse post-training as compared to pre-training, by the total number of community service providers that completed a pre- and post-training survey. Data is collected annually, and depends on the number of workshops provided.

#### ***Performance Indicator 1.b***

Data for this indicator comes from Statistics Canada's Annual Income Estimates for Census Families and Individuals, which uses taxfiler data (the T1 Family File) to produce CANSIM Table 111-0035: Senior's characteristics, by age group and source of income. From this table, for both Alberta then Canada, the indicator value is calculated by taking the median income of those 65 years and over and dividing by the median income of all ages. Since 2000, this data has been available annually, with a one-year lag.

#### ***Performance Indicator 1.c***

This indicator's data is from Statistics Canada's Canadian Community Health Survey (CCHS). The CCHS' data are used to produce CANSIM Table 105-0509: Canadian health characteristics, two-year period estimates. Previously, during 2009-14, CANSIM Table 105-0502 was used; since then, parts of the CCHS have been revised, and caution should be taken in comparing the 2015-16 data with previous years. The

indicator value is arrived at by taking the value for the percentage of those aged 65 years and over who report being satisfied or very satisfied with their lives. These data are collected every two years, with 2017-18 data expected to be released in mid-2018.

### ***Performance Indicator 1.d***

Data for this indicator is from Statistics Canada's General Social Survey – Giving, Volunteering and Participating, which uses survey data to produce CANSIM Table 119-0009: Volunteer rate and average annual volunteer hours, by age group. The value for this indicator is taken from this table and includes data for the volunteer rates of those aged 65 to 74 years, and 75 years and older, for Alberta and Canada. The current data is from 2013, and this data is collected every five years.

## **Performance Measure 2.a: Facility Condition Index**

### **Methodology**

The Facility Condition Index (FCI) is the ratio of repair to replacement costs. The FCI is calculated using the deferred maintenance costs for each government-owned or supported housing asset. Deferred maintenance costs captured in the initial assessments, which are conducted by the Alberta Infrastructure, are added to the FCI through the progression of the multi-year cycle. As assessments are conducted over multi-year cycles, the results for any facilities that have been reassessed in each new cycle will replace the results from the former cycle.

The percentages for each category in the measure are calculated by taking the number of all facilities in good, fair or poor condition and dividing each by the total building area of all assessed facilities.

### ***Performance Indicator 2.a***

Data for this indicator is taken from CMHC's Characteristics of Households in Core Housing Need: Canada, Provinces/Territories, Census Metropolitan Areas. (Statistics Canada aids in the collection of this information within the National Census). The indicator values are taken from CMHC's data. Collection frequency is assumed to be every five years with the National Census, but this is not confirmed by CMHC or Statistics Canada.

## **FINANCIAL SUMMARY**

## Financial Summary (millions of dollars)

### Results of Operations

For the Year Ending March 31, 2018  
2017-18 Financial Analysis

	Budget	Actual	Difference	Variance Explanation
Total Revenue	\$136.3	\$161.9	\$25.6	Increases due to recognition of previously deferred cost-matched revenue related federal agreements, recognition of assets transferred from CMHC, as well as unbudgeted prior year refunds from Housing Management Bodies.
Expenses Operating	687.9	732.4	(44.5)	Re-profile of capital investment to capital grants and the transfer of Willow Square land to Alberta Infrastructure.
Capital Investment	258.0	113.5	144.5	Re-profile of capital investment to capital grants. Additionally, various affordable and seniors' housing projects cash flows will carry forward into future years.
Total Expenses	\$945.9	\$845.9	\$100.0	

## Revenue Highlights (millions of dollars)

	2017-18 Budget	2017-18 Actual	2016-17 Actual
Transfers from the Government of Canada	\$114.7	\$126.0	\$133.8
Investment Income	2.9	4.8	2.7
Other Revenue	18.7	31.1	70.6
<b>Total Revenue</b>	<b>\$136.3</b>	<b>\$161.9</b>	<b>\$207.1</b>

Total revenue for the ministry in 2017-18 was \$161.9 million, a decrease of \$45.2 million from the previous fiscal year.

The Transfers from the Government of Canada decreased by \$7.8 million from the previous fiscal year primarily due to less funding provided from the CMHC as part of the Social Housing Agreement (SHA) schedule.

Investment Income increased by \$2.1 million from the previous fiscal year primarily due to an increased cash balance in the ASHC bank account.

Other Revenue decreased by \$39.5 million from the previous fiscal year which is primarily due to the one-time donation of land and buildings as part of the SHA in 2016-17. This is partially offset by increases in unbudgeted prior year expenditure refunds from HMB audit adjustments.

## Expense Highlights (millions of dollars)

	2017-18 Budget	2017-18 Actual	2016-17 Actual (restated)
Seniors Services	\$35.0	\$33.8	\$32.9
Alberta Seniors Benefit	365.1	370.5	357.1
Housing	12.5	11.7	11.0
Alberta Social Housing Corporation	261.5	303.0	320.7
Ministry Support Services	8.4	8.0	8.2
Debt Servicing	5.4	5.4	6.1
<b>Total Operating Expenses</b>	<b>\$687.9</b>	<b>\$732.4</b>	<b>\$736.0</b>

Total operating expenses for the ministry in 2017-18 was \$732.4 million, a decrease of \$3.6 million from the previous year.

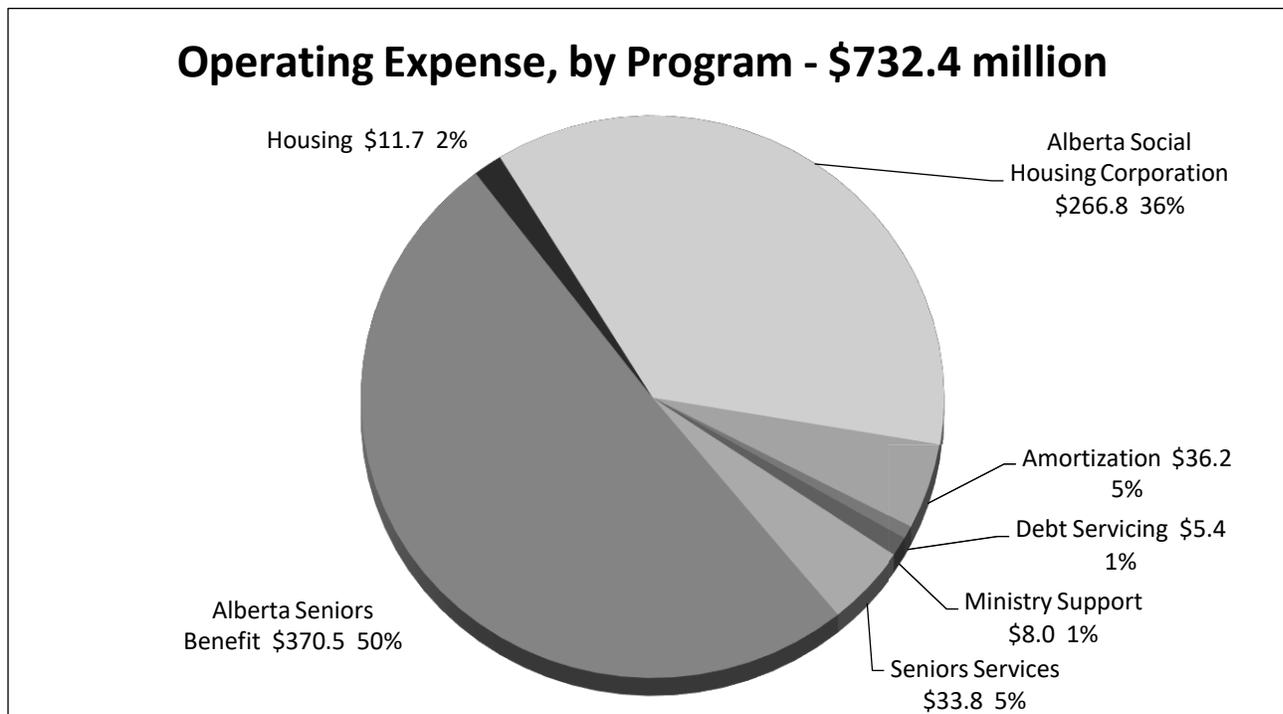
Programs such as the Alberta Seniors Benefit and Special Needs Assistance for Seniors' (Seniors Services) help seniors with low incomes by providing supplemental income and other financial supports. Both of these programs have seen an increased number of seniors benefiting from these programs. Additionally, the increase in expenditures for Alberta Seniors Benefit also includes provisions to protect seniors with low incomes using long-term care or designated supportive living facilities from long-term care rate increases.

The Alberta Social Housing Corporation \$17.7 million decrease in expenses from the previous fiscal year is primarily due to one-time funding that was re-profiled from capital investment in 2016-17 to fund additional capital grants for non-government owned projects. This is partially offset by an increase in expenses related to the transfer of the Willow Square land to Alberta Infrastructure, as well as an increase in operating grant funding provided to the HMBs to support the Rental Assistance program.

## Ministry Expense by Program (millions of dollars)

The ministry spent \$370.5 million (50 per cent of expenditures) on the Alberta Seniors Benefit program, the majority of which is grants and includes the accommodation supplement for residents of long-term care and designated supportive living and operations. Expenses to provide seniors with low income with additional supports such as the Special Needs Assistance for Seniors grants, the Seniors Home Adaptation and Repair program, and enabling community based initiatives such as abuse shelters for seniors and local elder abuse response, totaled \$33.8 million (five per cent) under the Seniors Services program.

The ASHC, spent \$266.8 million (36 per cent) to provide affordable living to Albertans with low income and emergency housing while the Housing Program spent \$11.7 million (two per cent) to provide operational support to the ASHC. The remainder of the ministry's expenses went to amortization of capital assets (five per cent), debt servicing of \$5.4 million (one per cent) and support services of \$8.0 million (one per cent).



\* Note: ASHC (\$266.8 million) + Amortization (\$36.2 million) + Debt Servicing (\$5.4 million) results in the total ASHC expense of \$308.4 million

## Capital Plan (millions of dollars)

	Budget	Actual	Difference	Variance Explanation
Capital Investment	258.0	113.5	144.5	Re-profile of capital investment to capital grants. Additionally, various affordable and seniors' housing projects cash flows will carry forward into future years.
Capital Grants	47.9	77.4	(29.5)	Re-profile from capital investment
<b>Total Capital Plan</b>	<b>\$305.9</b>	<b>\$190.9</b>	<b>\$115.0</b>	

The ministry, through the Alberta Social Housing Corporation, spent a total of \$113.4 million towards capital investment. The majority of this investment is for renewal and renovation of existing stock as well as building new affordable supply within seniors (\$55.6 million) and family (\$57.6 million) housing.

The ministry also spent a total of \$77.4 million in capital grants. The majority of these grants were within seniors (\$44.4 million), family (\$21.3 million), and special needs (\$9.9 million) housing. Included in this amount is \$0.5 million for the final grant payment to the Medicine Tree Manor within the department.

The variance to the budget was due to re-profiling of investment funds to capital grant (operating) funds and various planning stage and needs assessment delays. The funding for these associated projects are planned to be carried forward into future fiscal years. The re-profiling of \$30 million from capital investment to capital grants was required to provide additional funding for non-government owned projects and was spent as part of the Alberta Social Housing Corporation's operating expense.

## **FINANCIAL INFORMATION**



# **MINISTRY OF SENIORS AND HOUSING**

**CONSOLIDATED FINANCIAL STATEMENTS**  
Year Ended March 31, 2018

**MINISTRY OF SENIORS AND HOUSING  
CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2018**

Independent Auditor's Report

Consolidated Statement of Operations

Consolidated Statement of Financial Position

Consolidated Statement of Change in Net Financial Assets

Consolidated Statement of Cash Flows

Notes to the Consolidated Financial Statements

Schedule 1 - Consolidated Revenues

Schedule 2 - Consolidated Expenses - Directly Incurred Detailed by Object

Schedule 3 - Consolidated Allocated Costs

Schedule 4 - Related Party Transactions

Independent Auditor's Report

To the Members of the Legislative Assembly

**Report on the Consolidated Financial Statements**

I have audited the accompanying consolidated financial statements of the Ministry of Seniors and Housing, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Seniors and Housing as at March 31, 2018, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original Signed by]

W. Doug Wylie FCPA, FCMA, ICD.D  
Auditor General

June 5, 2018  
Edmonton, Alberta

**MINISTRY OF SENIORS AND HOUSING  
CONSOLIDATED STATEMENT OF OPERATIONS  
YEAR ENDED MARCH 31, 2018**

	2018		2017
	Budget	Actual	Actual (Restated - Note 5)
<i>(in thousands)</i>			
<b>Revenues (Schedule 1)</b>			
Government Transfers			
Federal Government Grants	\$ 114,703	\$ 125,986	\$ 133,777
Investment Income	2,894	4,825	2,666
Other Revenue	18,733	31,055	70,604
	<u>136,330</u>	<u>161,866</u>	<u>207,047</u>
<b>Expenses - Directly Incurred (Note 2(b), Schedules 2 &amp; 3)</b>			
<b>Programs</b>			
Ministry Support Services	8,415	8,025	8,254
Seniors Services	35,018	33,759	32,906
Alberta Seniors Benefit	365,068	370,548	357,083
Housing	12,478	11,744	10,950
Alberta Social Housing Corporation	261,509	302,998	320,745
	<u>682,488</u>	<u>727,074</u>	<u>729,938</u>
<b>Debt Servicing</b>			
Alberta Social Housing Corporation	5,433	5,354	6,106
	<u>687,921</u>	<u>732,428</u>	<u>736,044</u>
<b>Annual Deficit</b>	<u>\$ (551,591)</u>	<u>\$ (570,562)</u>	<u>\$ (528,997)</u>

The accompanying notes and schedules are part of these consolidated financial statements.

**MINISTRY OF SENIORS AND HOUSING**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2018**

	2018	2017 (Restated - Note 5)
	<i>(in thousands)</i>	
<b>Financial Assets</b>		
Cash and Cash Equivalents (Note 6)	\$ 419,421	\$ 286,749
Accounts Receivable (Note 7)	90,530	171,420
Loans and Advances (Note 8)	59,951	54,217
	569,902	512,386
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 11)	113,270	145,944
Debt (Note 12)	54,915	58,797
Deferred Contributions (Note 13)	152,087	208,666
	320,272	413,407
<b>Net Financial Assets</b>	249,630	98,979
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 15)	961,896	898,952
	961,896	898,952
<b>Net Assets Before Spent Deferred Capital Contributions</b>	1,211,526	997,931
Spent Deferred Capital Contributions (Note 13)	66,652	-
<b>Net Assets</b>	1,144,874	997,931
<b>Net Assets at Beginning of Year</b>	997,931	790,030
Adjustments to Net Assets	-	(658)
Annual Deficit	(570,562)	(528,997)
Net Financing Provided from General Revenues	717,505	737,556
<b>Net Assets at End of Year</b>	\$ 1,144,874	\$ 997,931

Contingent assets and contractual rights (Notes 9 and 10).

Contingent liabilities and contractual obligations (Notes 16 and 17).

The accompanying notes and schedules are part of these consolidated financial statements.

**MINISTRY OF SENIORS AND HOUSING**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**YEAR ENDED MARCH 31, 2018**

	2018		2017
	Budget	Actual	Actual (Restated - Note 5)
	<i>(in thousands)</i>		
<b>Annual Deficit</b>	\$ (551,591)	\$ (570,562)	\$ (528,997)
Acquisition of Tangible Capital Assets	(257,973)	(113,450)	(141,059)
Amortization of Tangible Capital Assets (Note 15)	41,291	36,193	36,716
Gain on Disposal of Tangible Capital Assets	(300)	(2,116)	(239)
Proceeds on Sale of Tangible Capital Assets		2,128	5,147
Write-downs of Tangible Capital Assets		113	-
Transfer (in) out of Tangible Capital Assets		14,186	(87,161)
Change in Spent Deferred Capital Contribution (Note 13)		66,652	-
Other Adjustments		2	
Net Financing Provided from General Revenues		717,505	737,556
<b>Increase in Net Financial Assets</b>		150,651	21,963
<b>Net Financial Assets at Beginning of Year</b>		98,979	77,016
<b>Net Financial Assets at End of Year</b>		\$ 249,630	\$ 98,979

The accompanying notes and schedules are part of these consolidated financial statements.

**MINISTRY OF SENIORS AND HOUSING  
CONSOLIDATED STATEMENT OF CASH FLOWS  
YEAR ENDED MARCH 31, 2018**

	<b>2018</b>	<b>2017</b> <b>(Restated - Note 5)</b>
	<i>(in thousands)</i>	
<b>Operating Transactions</b>		
Annual Deficit	\$ (570,562)	\$ (528,997)
Non-cash items Included in Net Operating Results		
Amortization of Tangible Capital Assets (Note 15)	36,193	36,716
Deferred Capital Contribution recognized as Revenue (Note 13)	(41,077)	(42,218)
Gain on Disposal of Tangible Capital Assets	(2,116)	(239)
Writedowns of Tangible Capital Assets	113	-
Transfer of Tangible Capital Assets from Other Entities	(502)	(88,273)
Transfer of Tangible Capital Assets to Other Entities	14,688	1,112
	<u>(563,263)</u>	<u>(621,899)</u>
Contributions Restricted for Operating (Note 13)	-	91,193
Decrease in Accounts Receivable	80,890	14,008
Decrease in Loans and Advances	8,326	938
Decrease in Accounts Payable and Accrued Liabilities	(32,673)	(15,016)
Cash Applied to Operating Transactions	<u>(506,720)</u>	<u>(530,776)</u>
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets (Note 15)	(113,450)	(141,059)
Proceeds on Sale of Tangible Capital Assets	2,128	5,147
Cash Applied to Capital Transactions	<u>(111,322)</u>	<u>(135,912)</u>
<b>Investing Transactions</b>		
Loans and Advances	(17,159)	(12,998)
Repayment of Loans and Advances	3,100	2,047
Cash Applied to Investing Transactions	<u>(14,059)</u>	<u>(10,951)</u>
<b>Financing Transactions</b>		
Contributions Restricted for Capital (Note 13)	51,150	87,582
Debt Retirement	(6,127)	(19,588)
Debt Issues	2,245	2,751
Net Financing Provided from General Revenues	717,505	737,556
Cash Provided by Financing Transactions	<u>764,773</u>	<u>808,301</u>
<b>Increase in Cash and Cash Equivalents</b>	132,672	130,662
<b>Cash and Cash Equivalents at Beginning of Year</b>	286,749	156,087
<b>Cash and Cash Equivalents at End of Year</b>	<u>\$ 419,421</u>	<u>\$ 286,749</u>

The accompanying notes and schedules are part of these consolidated financial statements.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2018**

**NOTE 1 AUTHORITY AND PURPOSE**

The Ministry of Seniors and Housing operates under the authority of the *Government Organization Act* and its regulations and has been designated responsibilities for various Acts. The minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also disclosed in Note 2(a).

The ministry promotes the well-being and quality of life of Alberta seniors and those in need of affordable housing. It develops and delivers programs and services that assist seniors and promote safety and well-being for Alberta's aging population. The ministry fosters the development of affordable housing and supports access to housing options for Albertans most in need. To achieve these outcomes, the ministry works with seniors, Albertans who require housing supports and others in the network of support: families and caregivers, communities, housing providers and other government partners.

**Key Activities:**

- Provide individual and community-based programs and services that support seniors to live and fully participate in their chosen communities.
- Support increased awareness of elder abuse and local community models that address and prevent elder abuse.
- Upgrade fire and safety systems in government-owned and supported seniors' supportive living accommodations to meet provincial building code standards.
- Explore approaches to effectively respond to current and future needs of the diverse population of seniors who reside in the province.
- Work with housing providers and stakeholders to advance the actions of the Provincial Affordable Housing Strategy.
- Work with housing providers and stakeholders to implement updated regulations under the *Alberta Housing Act*.
- Continue to invest in the regeneration and renewal of existing supply and the building of new supply of affordable housing options through collaboration with other levels of government and housing
- Develop an affordable housing program to provide affordable housing options for off-reserve Indigenous populations in the province.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

These consolidated financial statements are prepared in accordance with Canadian public sector accounting standards.

**(a) Reporting Entity and Method of Consolidation**

The reporting entity is the ministry for which the Minister of Seniors and Housing is accountable. The accounts of the department of Seniors and Housing (*Government Organization Act*) are fully consolidated with the Alberta Social Housing Corporation (*Alberta Housing Act*) on a line-by-line basis.

The accounts of government sector entities, except those designated as government business enterprises, are consolidated using the line-by-line method. Under this method, accounting policies of the consolidated entities are adjusted to conform to government accounting policies and the results of each line item in their financial statements (revenue, expense, assets, and liabilities) are included in government's results. Revenue and expense, capital, investing and financing transactions and related asset and liability balances between the consolidated entities have been eliminated.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(b) Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as unearned revenue.

Government Transfers

Transfers from all levels of governments are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recognized as deferred capital contributions or deferred revenue if the eligibility criteria for use of the transfer, or the stipulations together with the ministry's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the ministry complies with its communicated use of these transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the ministry meets the eligibility criteria (if any).

Donations and Non-Government Grants

Donations and non-government grants are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government grants may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government grants are recognized as revenue in the year received or in the year the funds are committed and the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government grants, and realized gains and losses for the associated externally restricted investment income are recognized as deferred revenue if the terms for their use, or the terms along with the ministry's actions and communications as to the use, create a liability. These resources are recognized as the terms are met and, when applicable, the ministry complies with its communicated use.

In-kind donations of materials are recognized at fair value when such value can reasonably be determined.

Grants and Donations for Land

The ministry recognizes transfers and donations for the purchase of land as a liability when received, and as revenue when the ministry purchases the land. The ministry recognizes in-kind contributions of land as revenue at the fair value of the land. When the ministry cannot determine the fair value, it records such in-kind contributions at a nominal value.

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

Grant Expense

Grants are recognized as expenses when authorized, eligibility criteria, if any, are met by the recipients and a reasonable estimate of the amounts can be made.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(b) Basis of Financial Reporting (Cont'd)**

**Expenses (Cont'd)**

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- debt servicing costs;
- pension costs which comprise the cost of employer contributions for current service of employees during the year;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities; and
- transfer of tangible capital assets to other ministries.

Incurring by Others

Services contributed by other related entities in support of the ministry's operations are not recognized but disclosed in Schedule 3.

**Valuation of Financial Assets and Liabilities**

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, loans and advances, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments. Fair values of loans are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability.

**Financial Assets**

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the ministry's financial claims on external organizations and individuals, and inventories for resale at the year end.

Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts Receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Loans and Advances

Loans and advances are recognized at cost less any discounts and allowance for credit loss.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(b) Basis of Financial Reporting (Cont'd)**

**Liabilities**

Liabilities represent present obligations of the ministry to external organizations and individuals arising from transactions or events occurring before the year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Debt

Notes, debentures, and mortgages are recognized at their face amount less unamortized discount, which includes issue expenses.

**Non-Financial Assets**

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- (a) are normally employed to deliver government services.
- (b) may be consumed in the normal course of operations; and
- (c) are not for sale in the normal course of operations.

Non-financial assets are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets of the ministry are recognized at historical cost and amortized on a straight-line basis over the estimated useful life of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. All land, with exception of Crown lands, is capitalized.

Work in progress, which includes facilities and improvements projects and development of information systems, is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

The cost of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	10 - 50 Years
Computer Hardware and Software	3 - 10 Years
Other	10 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the ministry's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Consolidated Statement of Operations.

Contributed tangible assets from non-related entities are recognized at their fair value at the time of contribution.

When physical assets (tangible capital assets) are gifted or sold for a nominal sum, the net book value of these physical assets, less any nominal proceeds, are recognized as grants in-kind. Unrealized gains and losses on transfers to controlled entities are eliminated on consolidation.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(b) Basis of Financial Reporting (Cont'd)**

**Measurement Uncertainty**

*(in thousands)*

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Estimates relating to the determination of the Housing Management Bodies accounts receivables recognized and disclosed as \$14,124 (2017 - \$15,067) in these financial statements, is subject to measurement uncertainty. This balance is based on budgeted figures which may not reflect actual audited amounts.

**(c) Change in Accounting Policy**

The ministry has prospectively adopted the following standards from April 1, 2017: PS 2200 Related Party Disclosures, PS 3420 Inter-Entity Transactions, PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights which are reflected in Note 2, Schedule 3 and Schedule 4.

**NOTE 3 FUTURE ACCOUNTING CHANGES**

The Public Sector Accounting Board has approved the following accounting standards:

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**  
This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.
- **PS 3280 Asset Retirement Obligation (effective April 1, 2021)**  
Effective April 1, 2021, this standard provides guidance on how to account for and report a liability for retirement of a tangible capital asset.
- **PS 3450 Financial Instruments (effective April 1, 2021)**  
Adoption of this standard requires corresponding adoption of: PS 2601, Foreign Currency Translation; PS 1201, Financial Statement Presentation; and PS 3041, Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement, and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments.

Management is currently assessing the impact of these standards on the financial statements.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 4 PROVINCIAL DISASTER RECOVERY**

**a) 2013 ALBERTA FLOOD**

The full recovery from the June 2013 flood in southern Alberta will take a number of years. During 2013-14, the ministry was assigned responsibility as part of the Government of Alberta's flood response to provide emergency and interim housing for those Albertans displaced by the Southern Alberta flood incident. The ministry also provided direct support to Housing Management Bodies whose residents were displaced and buildings were impacted by the flood. In addition, the ministry was asked by the Ministry of Indigenous Relations to assist with not only the provision of emergency and interim housing, but the inspections, repairs and rebuilds of homes on Siksika and Stoney Nakoda First Nations.

**b) 2016 NORTHERN ALBERTA WILDFIRES**

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. During 2016-17 and 2017-18, the ministry supported several Housing Management Bodies in providing emergency and interim housing primarily for Albertans displaced by the wildfires.

The Government of Alberta is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation.

The Province, subject to certain criteria, may recover part of the above costs from the Government of Canada through the Disaster Financial Assistance Arrangement Program, pending approval through Order in Council.

The costs incurred by the ministry in response to the wildfires and flood have been fully offset by the Government of Alberta through the ministries of Municipal Affairs, Indigenous Relations and Seniors and Housing which will reflect the costs. Neither the costs incurred by the ministry during the year or the reimbursement are reflected in these financial statements. The amounts incurred related to the wildfires total \$709 (2017: \$395). The amounts incurred related to the flood total \$25,248 (2017: \$47,478). Funds due to or payable from the ministry reflecting wildfires and flood related amounts are included in these statements.

**NOTE 5 PROGRAM TRANSFER**

*(in thousands)*

Effective September 1, 2017, Communications and Public Engagement branches from multiple ministries, including the Ministry of Seniors and Housing, were transferred to the Ministry of Treasury Board and Finance. Comparatives for 2017 have been restated as if the current organization structure had always been the same. The opening net assets and net financial assets as at April 1, 2016 are restated as follows:

Net assets as previously reported	\$ 789,968
Transfer to Ministry of Treasury Board and Finance	62
Net assets at April 1, 2016	<u>\$ 790,030</u>
Net financial assets as previously reported	\$ 76,954
Transfer to Ministry of Treasury Board and Finance	62
Net financial assets at April 1, 2016	<u>\$ 77,016</u>

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 6 CASH AND CASH EQUIVALENTS**

(in thousands)

Cash and Cash Equivalents include deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality, short term securities with a maximum term to maturity of three years. As at March 31, 2018, securities held by the fund have a time-weighted return of 1.1% per annum. Due to the short-term nature of CCITF investments, the carrying value approximates fair value.

	<u>2018</u>	<u>2017</u>
Cash	\$418,265	\$ 286,142
Cash equivalents	1,156	607
	<u>\$419,421</u>	<u>\$ 286,749</u>

**NOTE 7 ACCOUNTS RECEIVABLE**

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	<u>2018</u>		<u>2017</u>	
	<u>Gross Amount</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Realizable Value</u>	<u>Net Realizable Value (Restated - Note 19)</u>
Canada Mortgage and Housing Corporation	\$ 53,889	\$ -	\$ 53,889	\$ 126,198
Ministry of Indigenous Relations <sup>(1)</sup>	13,244	-	13,244	14,936
Ministry of Municipal Affairs <sup>(1) (2)</sup>	-	-	-	4,572
Housing Providers	14,124	-	14,124	15,067
Alberta Risk Management Fund <sup>(1)</sup>	4,507	-	4,507	6,472
Accrued Interest Receivable <sup>(3)</sup>	1,635	-	1,635	920
Other	3,189	(58)	3,131	3,255
	<u>\$ 90,588</u>	<u>\$ (58)</u>	<u>\$ 90,530</u>	<u>\$ 171,420</u>

<sup>(1)</sup> Costs incurred by the ministry in response to the June 2013 Southern Alberta flood, have been fully offset through the ministries of Municipal Affairs, Indigenous Relations and Seniors and Housing as well as Alberta Risk Management Fund. Flood related funds due to the ministry totalling \$13,244 (2017 - \$20,231) is comprised of \$13,244 (2017 - \$14,936) from the Ministry of Indigenous Relations, \$0 (2017 - \$4,177) from the Ministry of Municipal Affairs and \$0 (2017 - \$1,118) from the Alberta Risk Management Fund.

<sup>(2)</sup> Costs incurred by the ministry in response to the May 2016 Northern Alberta Wildfires, have been fully offset through the Ministry of Municipal Affairs. Wildfire related funds due to the ministry total \$0 (2017 - \$395).

<sup>(3)</sup> Interest on the loans starts on the date Seniors Property Tax Deferral Program (SPTDP) pays the residential property taxes to the municipality on behalf of the senior, or the date Seniors Home Adaptation and Repair Program (SHARP) deposits the loan into the senior's bank account. The interest rate is variable and is set every six months on April 1st and October 1st charging simple interest rather than compound interest. Loan statements are issued twice a year in April and October to recipients with outstanding loans.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 8 LOANS AND ADVANCES**

(in thousands)

	2018		2017	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value (Restated - Note 19)
Capital Development Projects <sup>(1)</sup>	\$ -	\$ -	\$ -	\$ 7,258
Housing Providers' Reserves <sup>(2)</sup>	5,127	-	5,127	5,127
Rent Supplement <sup>(3)</sup>	14,327	-	14,327	14,327
2013 Southern Alberta Flood <sup>(4)</sup>	-	-	-	828
Seniors Property Tax Deferral <sup>(5)</sup>	21,586	-	21,586	17,035
Seniors Home Adaptation and Repair <sup>(6)</sup>	13,476	-	13,476	6,872
Other Loans and Advances <sup>(7)</sup>	5,435	-	5,435	2,770
	<u>\$ 59,951</u>	<u>\$ -</u>	<u>\$ 59,951</u>	<u>\$ 54,217</u>

<sup>(1)</sup> Several Housing Management Bodies were provided with an advance to support the cash flow requirements of approved capital development projects.

<sup>(2)</sup> Housing Providers are provided an advance based on the number of housing units under management in order to address short term operating cash flow requirements during the year. These cash advances can be collected at any time at the discretion of the minister. These funds are required to be replenished by the Housing Providers.

<sup>(3)</sup> Housing Management Bodies are provided an advance for approximately two months of anticipated annual operational funding requirements to administer the Rent Supplement Program. These cash advances can be collected at any time at the discretion of the minister. These cash advances are replenished as monthly claims are processed.

<sup>(4)</sup> Several Housing Management Bodies and organizations were provided with cash advances as a result of the Southern Alberta Flooding incident to help manage flood disaster relief and rebuild as well as address cash flow needs.

<sup>(5)</sup> Effective April 1, 2013, the SPTDP allows eligible senior homeowners to defer all or part of their residential property taxes through a low-interest home equity loan with the Ministry of Seniors and Housing. To qualify for the SPTDP, seniors must be age 65 years or older, a Canadian citizen or have been lawfully admitted to Canada for permanent residence, an Alberta resident and have lived in Alberta for at least three months, own a residential property in Alberta, and have a minimum of 25 percent equity in their primary residence.

<sup>(6)</sup> Effective July 1, 2016, the SHARP provides low-interest home equity loans to help seniors finance necessary repairs, adaptations and renovations to their homes. A maximum loan of \$40,000 is available to seniors and senior couples with an annual total income of \$75,000 or less and who have a minimum of 25 percent home equity in their primary residence. To be eligible for the loan, seniors must be age 65 years or older, a Canadian citizen or have been lawfully admitted to Canada for permanent residence, an Alberta resident and have lived in Alberta for at least three months, and an owner of a residential property registered in a land titles office.

<sup>(7)</sup> Other loans and advances includes work-out loans totalling \$783 (2017 - \$0) with repayment terms as follows:

	Principal	Interest	Total Payments
2018-19	\$ 94	\$ 31	\$ 125
2019-20	98	27	125
2020-21	102	23	125
2021-22	106	19	125
2022-23	110	15	125
Thereafter	273	22	295
	<u>\$ 783</u>	<u>\$ 137</u>	<u>\$ 920</u>

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 9 CONTINGENT ASSETS**

*(in thousands)*

The ministry submitted insurance claims where possible assets are being sought. The outcomes from these matters will likely result in recognition of assets.

The ministry is involved in ninety-two (2017: sixty-five) outstanding insurance claims which will reasonably give rise to the recovery of assets. Of these insurance claims, ninety-two (2017: sixty-five) have a specified amount of \$6,052 (2017: \$9,123). No (2017: zero) insurance claims have no amount specified. These amounts have not been recognized in the financial statements.

**NOTE 10 CONTRACTUAL RIGHTS**

*(in thousands)*

Contractual rights are rights of the ministry to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of the those contracts or agreements are met.

	<b>2018</b>	<b>2017</b>
Contractual Rights from Operating Leases and Contracts <sup>(1)</sup>	\$ 735,692	\$ 874,289

(1) Contractual rights is comprised primarily of future federal funding from Canada Mortgage and Housing Corporation (CMHC) for housing programs and initiatives.

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

	<b>Total</b>
2018-19	\$ 105,695
2019-20	81,856
2020-21	79,337
2021-22	75,074
2022-23	69,247
Thereafter	324,483
	\$ 735,692

**NOTE 11 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

*(in thousands)*

	<b>2018</b>	<b>2017</b> <b>(Restated - Note 5)</b>
Accounts payable	\$ 5,498	\$ 7,113
Accrued liabilities - Supplies & Services	2,065	358
Accrued liabilities - Grants	66,544	87,115
Accrued liabilities - Capital	26,735	31,948
Other accrued liabilities	12,428	19,410
	\$ 113,270	\$ 145,944

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 12 DEBT**

*(in thousands)*

		<b>2018</b>	<b>2017</b>
<b>Fiscal Year of Maturity Ending March 31</b>	<b>Effective Interest Rate <sup>(1)</sup></b>	<b>Total</b>	<b>Total</b>
Fixed rate debt			
2018		\$ -	\$ 3,882
2019	9.44%	4,221	4,221
2020	9.45%	4,590	4,590
2021	9.49%	4,939	4,939
2022	9.57%	5,196	5,196
2023	9.62%	5,542	-
Principal due in: less than 5 years	9.52%	\$ 24,488	\$ 22,828
6 - 10 years	9.70%	27,706	28,702
11 - 20 years	9.71%	2,721	7,267
<b>Total debt issued</b>	<b>9.62%</b>	<b>\$ 54,915</b>	<b>\$ 58,797</b>

<sup>(1)</sup> The effective interest rate is based on the weighted average of debt issues. The effective rate is the rate that exactly discounts estimated future cash payments through the expected term of the debt to the net carrying amount and includes the effects of interest rate.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 13 DEFERRED CONTRIBUTIONS**

(in thousands)

	<b>2018</b>	<b>2017</b>
Deferred revenue (a)	\$ 79,911	\$ 87,258
Unspent deferred capital contribution and transfers (b)	72,176	121,408
Spent deferred capital contributions and transfers (c)	66,652	-
	<u>\$ 218,739</u>	<u>\$ 208,666</u>

(a) Deferred revenue

	<b>2018</b>	<b>2017</b>
Balance at beginning of year	\$ 87,258	\$ 18
Cash contributions received/receivable during year	-	22,848
Reallocation of prior year deferred contributions <sup>(1)</sup>	-	68,345
Less: amounts recognized as revenue	(7,347)	(1,470)
Reallocation of prior year revenue <sup>(1)</sup>	-	(2,483)
Balance at end of year	<u>\$ 79,911</u>	<u>\$ 87,258</u>

(b) Unspent deferred capital contribution and transfers

	<b>2018</b>	<b>2017</b>
Balance at beginning of year	\$ 121,408	\$ 72,091
Received/receivable during year	51,150	155,927
Reallocation of prior year deferred contributions <sup>(1)</sup>	-	(68,345)
Transferred to spent deferral capital contributions and transfers	(66,253)	(40,748)
Transferred to spent deferral capital contributions and transfers in prior years <sup>(2)</sup>	(34,129)	-
Adjustment of prior year transfer <sup>(1)</sup>	-	2,483
Balance at end of year	<u>\$ 72,176</u>	<u>\$ 121,408</u>

(c) Spent deferred capital contributions and transfers

	<b>2018</b>	<b>2017</b>
Balance at beginning of year	\$ -	\$ -
Transferred from unspent deferred capital contributions and transfers	100,382	38,265
Less: amounts recognized as revenue	(33,730)	(38,265)
Balance at end of year	<u>\$ 66,652</u>	<u>\$ -</u>

<sup>(1)</sup> Certain prior year deferred contributions and revenue figures have been reallocated to conform with the 2018 presentation.

<sup>(2)</sup> Adjustments are primarily due to reallocation of annual project costs.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 14 BENEFIT PLANS**

*(in thousands)*

The ministry participates in the multi-employer pension plans: Management Employees Pension Plan (MEPP) and Public Service Pension Plan (PSPP) and Supplementary Retirement Plan for Public Service Managers (SRP). The expense for these pension plans is equivalent to the annual contributions of \$3,016<sup>(1)</sup> for the year ended March 31, 2018 (2017: \$3,311).

At December 31, 2017, the MEPP reported a surplus of \$866,066 (2016: surplus \$402,033), the PSPP reported a surplus of \$1,275,843 (2016: surplus \$302,975) and the SRP reported a deficiency of \$54,984 (2016: deficiency \$50,020).

The ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2018, the Bargaining Unit Plan reported a surplus of \$111,983 (2017: \$101,515) and the Management, Opted Out and Excluded Plan reported a surplus of \$29,805 (2017: \$31,439). The expense for these two plans is limited to the employer's annual contributions for the year.

<sup>(1)</sup> Represents employers' annual contributions to MEPP, PSPP and the SRP, and related Reserve Fund for Public Service Managers.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 15 TANGIBLE CAPITAL ASSETS**

(in thousands)

	2018				2017	
	Land	Buildings & Leasehold Improvements <sup>(1)</sup>	Computer Hardware & Software	Equipment & Other <sup>(2)</sup>	Total	Total
<b>Estimated useful life</b>	Indefinite	10-50 years	3-10 years	10 years		
<b>Historical Cost<sup>(3)</sup></b>						
Beginning of year	\$ 180,101	\$ 1,483,251	\$ 4,320	\$ 6,230	\$ 1,673,902	\$ 1,451,974
Additions <sup>(4)</sup>	714	112,299	939	-	113,952	231,712
Disposals, including write-downs <sup>(5)</sup>	(13,220)	(861)	-	(4,138)	(18,219)	(9,784)
	<u>167,595</u>	<u>1,594,689</u>	<u>5,259</u>	<u>2,092</u>	<u>1,769,635</u>	<u>1,673,902</u>
<b>Accumulated Amortization</b>						
Beginning of year	-	769,000	2,459	3,493	774,952	738,960
Amortization expense	-	34,569	1,051	573	36,193	36,716
Effect of disposals including write-downs	-	(746)	-	(2,660)	(3,406)	(726)
	<u>-</u>	<u>802,823</u>	<u>3,510</u>	<u>1,406</u>	<u>807,739</u>	<u>774,950</u>
<b>Net book value at March 31, 2018</b>	<u>\$ 167,595</u>	<u>\$ 791,866</u>	<u>\$ 1,749</u>	<u>\$ 686</u>	<u>\$ 961,896</u>	
<b>Net book value at March 31, 2017</b>	<u>\$ 180,101</u>	<u>\$ 714,251</u>	<u>\$ 1,861</u>	<u>\$ 2,739</u>		<u>\$ 898,952</u>

(1) Seniors and special needs buildings are amortized over 50 years, community housing buildings over 40 to 50 years, and all other buildings over 10 to 25 years.

(2) Other tangible capital assets include manufactured housing units and trailers.

(3) Historical cost includes work-in-progress at March 31, 2018 totalling \$231,739 comprised of: land \$0 (2017 - \$558); buildings \$230,269 (2017 - \$188,799); computer hardware and software \$1,470 (2017 - \$531); and other \$0 (2017 - \$0).

(4) Additions include non-cash acquisitions totalling \$502 comprised of transfers of tangible capital assets from other entities \$0 (2017 - \$618); federal government transfers of tangible capital assets \$0 (2017 - \$78,939); and donated tangible capital assets \$502 (2017 - \$9,334).

(5) Disposals include non-cash disposals totalling \$14,688 comprised of transfers of tangible capital assets to other entities \$13,568 (2017 - \$1,276) and grant-in-kind \$1,120 (2017 - \$1,112).

**NOTE 16 CONTINGENT LIABILITIES**

(in thousands)

The ministry is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The ministry is named in sixteen (2017: six) claims, the outcome of which is not determinable. Of these claims, sixteen (2017: five) have a specified amount of \$19,196 (2017: \$4,179). There are no remaining (2017: one) claims with no amount specified. Included in the total claims, eighteen claims totalling \$18,340 (2017: seven claims totalling \$1,568) are covered in whole or in part by the Alberta Risk Management Fund. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

**MINISTRY OF SENIORS AND HOUSING**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 17 CONTRACTUAL OBLIGATIONS**

(in thousands)

Contractual obligations are obligations of the ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met. Grants for housing providers approved for future years have been included as a program obligation.

	<b>2018</b>	<b>2017</b>
Obligations under Operating Leases, Contracts and Programs <sup>(1)</sup>	\$ 284,444	\$ 243,352
Obligations under Capital Contracts and Grants	125,066	147,926
	\$ 409,510	\$ 391,278

<sup>(1)</sup> Obligations for Southern Alberta Flood contracts are excluded as they have been set up as accrued liabilities in the ministries of Municipal Affairs and Indigenous Relations.

Estimated payment requirements for each of the next five years and thereafter are as follows:

	<b>Operating Contracts and Programs<sup>(2)</sup></b>	<b>Operating Leases<sup>(3)</sup></b>	<b>Capital Contracts<sup>(4)</sup></b>	<b>Capital Grants<sup>(5)</sup></b>	<b>Total</b>
2018-19	\$ 42,102	\$ 1,347	\$ 64,697	\$ 21,958	\$ 130,104
2019-20	35,302	1,347	18,380	4,351	59,380
2020-21	34,740	1,347	8,901	361	45,349
2021-22	33,099	1,347	1,780	295	36,521
2022-23	30,313	1,347	-	4,343	36,003
Thereafter	79,591	22,562	-	-	102,153
	\$ 255,147	\$ 29,297	\$ 93,758	\$ 31,308	\$ 409,510

<sup>(2)</sup> Grants committed for future years under agreement with Housing Providers that would fund operating supports and amortization costs.

<sup>(3)</sup> The ministry leases land under various leases for the purpose of providing social housing.

<sup>(4)</sup> Capital contracts are made up of the ministry's development projects and capital asset maintenance.

<sup>(5)</sup> Amounts committed to housing providers for capital grants.

**NOTE 18 SUBSEQUENT EVENTS**

Effective (1) April 1, 2018, the government consolidated human resource functions under the Public Service Commission within the Ministry of Treasury Board and Finance; (2) April 1, 2018, the government consolidated the *Freedom of Information and Protection of Privacy* (FOIP) delivery services under the Ministry of Service Alberta; (3) April 23, 2018, the government consolidated information management and technology services under the Ministry of Service Alberta.

**NOTE 19 COMPARATIVE FIGURES**

Certain 2017 figures have been reclassified to conform to the 2018 presentation.

**NOTE 20 APPROVAL OF FINANCIAL STATEMENTS**

The deputy minister and senior financial officer approved these consolidated financial statements.

**MINISTRY OF SENIORS AND HOUSING  
CONSOLIDATED REVENUES  
YEAR ENDED MARCH 31, 2018**

	<b>2018</b>	<b>2017</b>
	<i>(in thousands)</i>	
<b>Federal and Other Government Grants</b>		
Canada Mortgage and Housing Corporation Social Housing Agreement & Investment in Affordable Housing	\$ 125,986	\$ 133,777
<b>Investment Income</b>	4,825	2,666
<b>Other Revenue</b>		
Recoveries from Housing Providers	9,361	8,202
Rental Revenue	789	980
Refunds of Expenditure	12,639	24,092
Contribution from Housing Providers and Third Parties	2,985	37,053
Gain on Disposal of Tangible Capital Assets	2,116	275
Miscellaneous	3,165	2
	<b>31,055</b>	<b>70,604</b>
<b>Total Revenues</b>	<b>\$ 161,866</b>	<b>\$ 207,047</b>

**MINISTRY OF SENIORS AND HOUSING**  
**CONSOLIDATED EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT**  
**YEAR ENDED MARCH 31, 2018**

	2018	2017 (Restated- Note 5)
	<i>(in thousands)</i>	
Salaries, Wages, and Employee Benefits	\$ 27,908	\$ 27,630
Supplies and Services	14,968	15,343
Grants	633,974	649,049
Amortization of Tangible Capital Assets (Note 15)	36,193	36,716
Transfer of Tangible Capital Assets to Other Entities (Note 15 <sup>(6)</sup> )	13,568	-
Debt Servicing Costs	5,354	6,106
Other	463	1,200
<b>Total Expenses</b>	<b>\$ 732,428</b>	<b>\$ 736,044</b>

**MINISTRY OF SENIORS AND HOUSING  
CONSOLIDATED ALLOCATED COSTS  
YEAR ENDED MARCH 31, 2018**

Program	2018				2018	2017
	Expenses - Incurred by Others				Total Expenses	Total Expenses (Restated - Note 5)
	Expenses <sup>(1)</sup>	Accommodation Costs <sup>(2)</sup>	Legal Services <sup>(3)</sup>	Business Services <sup>(4)</sup>		
	<i>(in thousands)</i>					
Ministry Support Services	\$ 8,025	\$ 854	\$ 373	\$ 12	\$ 9,264	\$ 9,520
Seniors Services	33,759	728	9	\$ 52	34,548	33,712
Alberta Seniors Benefit	370,548	816	-	\$ 569	371,933	358,490
Housing	11,744	139	7	\$ 491	12,381	11,612
Alberta Social Housing Corporation	308,352	1,255	-	-	309,607	328,110
	<b>\$ 732,428</b>	<b>\$ 3,792</b>	<b>\$ 389</b>	<b>\$ 1,124</b>	<b>\$ 737,733</b>	<b>\$ 741,444</b>

(1) Expenses – Directly Incurred as per Consolidated Statement of Operations.

(2) Accommodation Costs, including grants in lieu of taxes, allocated by number of full-time employees.

(3) Legal Services Costs, allocated by estimated costs incurred by each program.

(4) Business Services Costs, include charges for information technology (IT) support, vehicles, internal audit services and other services, allocated by costs in certain programs.

**MINISTRY OF SENIORS AND HOUSING**  
**RELATED PARTY TRANSACTIONS**  
**AS AT MARCH 31, 2018**

**Schedule 4**

Related parties are those entities consolidated or accounted for on a modified equity basis in the Government of Alberta (consolidated) financial statements. Related parties also include key management personnel and close family members of those individuals in the ministry.

The ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The ministry had the following transactions with related parties reported in the Consolidated Statement of Operations and the Consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	<b>2018</b>	<b>2017</b>
	<i>(in thousands)</i>	
<b>Revenues</b>		
Transfer of Tangible Capital Assets	-	618
	<b>\$ -</b>	<b>\$ 618</b>
<b>Expenses - Directly Incurred</b>		
Grants	278	6,983
Transfer of Tangible Capital Assets (Note 15 <sup>(5)</sup> )	13,568	1,276
Other	1,900	1,652
Insurance	5,265	5,279
Interest	-	453
	<b>\$ 21,011</b>	<b>\$ 15,643</b>
<b>Receivable from</b>		
Ministry of Indigenous Relations (Note 7)	13,244	14,936
Ministry of Municipal Affairs	-	4,572
Alberta Risk Management Fund (Note 7)	4,507	6,616
	<b>\$ 17,751</b>	<b>\$ 26,124</b>
<b>Payable to</b>		
Ministry of Justice and Solicitor General	41	-
Ministry of Treasury Board and Finance	735	1,924
Alberta Risk Management Fund	530	680
	<b>\$ 1,306</b>	<b>\$ 2,604</b>



# **DEPARTMENT OF SENIORS AND HOUSING**

FINANCIAL STATEMENTS  
Year Ended March 31, 2018

# DEPARTMENT OF SENIORS AND HOUSING

FINANCIAL STATEMENTS  
Year Ended March 31, 2018

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Debt

Statement of Cash Flows

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Schedule 2 - Expenses - Directly Incurred Detailed by Object

Schedule 3 - Lapse/Encumbrance

Schedule 4 - Salary and Benefits Disclosure

Schedule 5 - Related Party Transactions

Schedule 6 - Allocated Costs

## Independent Auditor's Report

To the Minister of Seniors and Housing

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the Department of Seniors and Housing, which comprise the statement of financial position as at March 31, 2018, and the statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Seniors and Housing as at March 31, 2018, and the results of its operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[ Original signed by]

W. Doug Wylie FCPA, FCMA, ICD.D  
Auditor General

June 5, 2018  
Edmonton, Alberta

**DEPARTMENT OF SENIORS AND HOUSING**  
**STATEMENT OF OPERATIONS**  
Year ended March 31, 2018

	<b>2018</b>		<b>2017</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual (Restated - Note 3)</b>
<i>(in thousands)</i>			
<b>Revenues (Schedule 1)</b>			
Investment Income	\$ 1,494	\$ 903	\$ 501
Other Revenue	7,633	8,247	9,837
	<u>9,127</u>	<u>9,150</u>	<u>10,338</u>
<b>Expenses - Directly Incurred (Notes 2(a) Schedule 2,3,5 and 6)</b>			
<b>Programs</b>			
Ministry Support Services	8,415	8,025	8,254
Seniors Services	35,018	33,759	32,906
Alberta Seniors Benefit	365,068	370,548	357,083
Housing	290,406	284,801	324,241
	<u>698,907</u>	<u>697,133</u>	<u>722,484</u>
<b>Annual Deficit</b>	<u>\$ (689,780)</u>	<u>\$ (687,983)</u>	<u>\$ (712,146)</u>

The accompanying notes and schedules are part of these financial statements.

**DEPARTMENT OF SENIORS AND HOUSING  
STATEMENT OF FINANCIAL POSITION  
As at March 31, 2018**

	2018	2017 (Restated - Note 3)
	<i>(in thousands)</i>	
<b>Financial Assets</b>		
Accounts Receivable (Note 4)	\$ 2,230	\$ 1,494
Loans and Advances (Note 5)	37,967	23,907
	<u>40,197</u>	<u>25,401</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 6)	55,776	70,503
<b>Net Debt</b>	<u>(15,579)</u>	<u>(45,102)</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 7)	1	2
<b>Net Liabilities</b>	<u>\$ (15,578)</u>	<u>\$ (45,100)</u>
<b>Net Liabilities at Beginning of Year</b>	\$ (45,100)	\$ (70,510)
Annual Deficit	(687,983)	(712,146)
Net Financing Provided from General Revenues	717,505	737,556
<b>Net Liabilities at End of Year</b>	<u>\$ (15,578)</u>	<u>\$ (45,100)</u>

Contractual Obligations (Note 8)

The accompanying notes and schedules are part of these financial statements.

**DEPARTMENT OF SENIORS AND HOUSING  
STATEMENT OF CHANGE IN NET DEBT  
Year ended March 31, 2018**

	2018		2017
	Budget	Actual	Actual (Restated - Note 3)
	<i>(in thousands)</i>		
<b>Annual Deficit</b>	\$ (689,780)	\$ (687,983)	\$ (712,146)
Amortization of Tangible Capital Assets (Note 7)	227	1	4
Net Financing Provided from General Revenue		717,505	737,556
<b>Decrease in Net Debt</b>	\$ 29,523	\$ 25,414	\$ 25,414
<b>Net Debt at Beginning of Year</b>		(45,102)	(70,516)
<b>Net Debt at End of Year</b>	\$ (15,579)	\$ (45,102)	\$ (45,102)

The accompanying notes and schedules are part of these financial statements.

**DEPARTMENT OF SENIORS AND HOUSING**  
**STATEMENT OF CASH FLOWS**  
**Year ended March 31, 2018**

	2018	2017 (Restated - Note 3)
	<i>(in thousands)</i>	
<b>Operating Transactions</b>		
Annual Deficit	\$ (687,983)	\$ (712,146)
Non-cash items included in Net Operating Results		
Amortization of Tangible Capital Assets (Note 7)	1	4
	<u>1</u>	<u>4</u>
Contributions Restricted for Operating		
(Increase)/Decrease in Accounts Receivable	(736)	46,833
Decrease in Accounts Payable and Accrued Liabilities	(14,727)	(61,295)
Cash Applied to Operating Transactions	<u>(703,445)</u>	<u>(726,604)</u>
<b>Investing Transactions</b>		
Loans and Advances Made	(17,159)	(12,999)
Repayment of Loans and Advances	3,099	2,047
Cash Applied to Investing Transactions	<u>(14,060)</u>	<u>(10,952)</u>
<b>Financing Transactions</b>		
Net Financing Provided from General Revenues	717,505	737,556
Cash Provided by Financing Transactions	<u>717,505</u>	<u>737,556</u>
<b>Decrease in Cash and Cash Equivalents</b>	-	-
<b>Cash at Beginning of Year</b>	-	-
<b>Cash at End of Year</b>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes and schedules are part of these financial statements.

**DEPARTMENT OF SENIORS AND HOUSING  
NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2018**

**NOTE 1 AUTHORITY AND PURPOSE**

The Department of Seniors and Housing operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The department promotes the well-being and quality of life of Alberta seniors and those in need of affordable housing. It develops and delivers programs and services that assist seniors and promote safety and well-being for Alberta's aging population. The department fosters the development of affordable housing and supports access to housing options for Albertans most in need. To achieve these outcomes, the department works with seniors, Albertans who require housing supports and others in the network of support: families and caregivers, communities, housing providers and other government partners.

Key Activities:

- Provide individual and community-based programs and services that support seniors to live and fully participate in their chosen communities.
- Support increased awareness of elder abuse and local community models that address and prevent elder abuse.
- Upgrade fire and safety systems in government-owned and supported seniors' supportive living accommodations to meet provincial building code standards.
- Explore approaches to effectively respond to current and future needs of the diverse population of seniors who reside in the province.
- Work with housing providers and stakeholders to advance the actions of the Provincial Affordable Housing Strategy.
- Work with housing providers and stakeholders to implement updated regulations under the *Alberta Housing Act*.
- Continue to invest in the regeneration and renewal of existing supply and the building of new supply of affordable housing options through collaboration with other levels of government and housing providers.
- Develop an affordable housing program to provide affordable housing options for off-reserve Indigenous populations in the province.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

**(a) Basis of Financial Reporting**

**Revenue**

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year-end is recognized as unearned revenue.

Government Transfers

Transfers from all levels of governments are referred to as government transfers.

**DEPARTMENT OF SENIORS AND HOUSING  
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
MARCH 31, 2018**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(a) Basis of Financial Reporting (cont'd)**

Government transfers are recognized as deferred capital contributions and deferred revenue if the eligibility criteria of the transfer or the stipulations together with the department's actions and communications as to the use of transfers create a liability. These transfers are recognized as revenues, as the stipulations are met and, when applicable, the department complies with its communicated uses of these transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the department meets the eligibility criteria (if any).

Transfer of Tangible Capital Assets from Other Government Departments/Entities

Transfer of tangible capital assets from other government departments or entities are recognized as revenue.

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the department has primary responsibility and accountability for, as reflected in the government's budget documents.

Grant Expense

Grants are recognized as expenses when authorized, eligibility criteria, if any, are met by the recipients and a reasonable estimate of the amounts can be made.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs which comprise the cost of employer contributions for current service of employees during the year;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities; and
- transfer of tangible capital assets to other government departments/entities.

Incurred by Others

Services contributed by other related entities in support of the department's operations are not recognized but disclosed in Schedule 6.

**Valuation of Financial Assets and Liabilities**

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, loans and advances, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments. Fair values of loans are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability.

**DEPARTMENT OF SENIORS AND HOUSING  
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
MARCH 31, 2018**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**Financial Assets**

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Accounts Receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Loans

Loans are recognized at cost, less any discounts and allowance for credit loss.

**Liabilities**

Liabilities are present obligations of the department to external organizations and individuals arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

**Non-Financial Assets**

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- (a) are normally employed to deliver government services;
- (b) may be consumed in the normal course of operations; and
- (c) are not for sale in the normal course of operations.

Non-financial assets of the department are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets of the department are recognized at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. All land, with the exception of Crown lands, is capitalized.

Contributed tangible capital assets from non-related entities are recognized at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is put into service.

When physical assets (tangible capital assets) are gifted or sold for a nominal sum, the net book value of these physical assets, less any nominal proceeds, are recognized as grants in kind.

**(b) Change in Accounting Policy**

The department has prospectively adopted the following standards from April 1, 2017: PS 2200 Related Party Disclosures, PS 3420 Inter-Entity Transactions, PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights which are reflected in Note 2, Schedule 5 and Schedule 6.

DEPARTMENT OF SENIORS AND HOUSING  
 NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
 MARCH 31, 2018

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(c) Future Accounting Changes**

The Public Sector Accounting Board has approved the following accounting standards:

• **PS 3430 Restructuring Transactions (effective April 1, 2018)**

This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

• **PS 3280 Asset Retirement Obligations (effective April 1, 2021)**

Effective April 1, 2021, this standard provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

• **PS 3450 Financial Instruments (effective April 1, 2021)**

Adoption of this standard requires corresponding adoption of PS 2601 Foreign Currency Translation, PS 1201 Financial Statement Presentation, and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments.

Management is currently assessing the impact of these standards on the financial statements.

**NOTE 3 PROGRAM TRANSFER**

*(in thousands)*

Effective September 1, 2017, Communications and Public Engagement branches were transferred from the Department of Seniors and Housing to the Department of Treasury Board and Finance. Comparatives for 2017 have been restated as if the current organization structure had always been the same. The opening net liabilities and net debt as at April 1, 2016 are restated as follows:

Net Liabilities as previously reported	\$ (70,572)
Transfer to the Department of Treasury Board and Finance	62
Net Liabilities at April 1, 2016	<u>\$ (70,510)</u>
Net Debt as previously reported	\$ (70,578)
Transfer to the Department of Treasury Board and Finance	62
Net Debt at April 1, 2016	<u>\$ (70,516)</u>

**NOTE 4 ACCOUNTS RECEIVABLE**

*(in thousands)*

Accounts receivable are unsecured and non-interest bearing.

	2018		2017	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value (Restated - Note 11)
Accrued Interest	\$ 1,635	\$ -	\$ 1,635	\$ 920
Other	653	(58)	595	574
	<u>\$ 2,288</u>	<u>\$ (58)</u>	<u>\$ 2,230</u>	<u>\$ 1,494</u>

**DEPARTMENT OF SENIORS AND HOUSING**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**MARCH 31, 2018**

**NOTE 5 LOANS AND ADVANCES**

Effective April 1, 2013, the Seniors Property Tax Deferral Program (SPTDP) allows eligible senior homeowners to defer all or part of their residential property taxes through a low-interest home equity loan with the Department of Seniors and Housing. To qualify for the SPTDP, seniors must be age 65 years or older, a Canadian citizen or have been lawfully admitted to Canada for permanent residence, an Alberta resident and have lived in Alberta for at least three months, own a residential property in Alberta, and have a minimum of 25 percent equity in their primary residence.

Effective July 1, 2016, The Seniors Home Adaptation and Repair Program (SHARP) provides low-interest home equity loans to help seniors finance necessary repairs, adaptations and renovations to their homes. A maximum loan of \$40,000 is available to seniors and senior couples with an annual total income of \$75,000 or less and who have a minimum of 25 percent home equity in their primary residence. To be eligible for the loan, seniors must be age 65 years or older, a Canadian citizen or have been lawfully admitted to Canada for permanent residence, an Alberta resident and have lived in Alberta for at least three months, and an owner of a residential property registered in a Land Titles Office.

Interest on the loans will start on the date that SPTDP pays the residential property taxes to the municipality on behalf of the senior, or the date SHARP deposits the loan into the senior's bank account. The interest rate is variable and is set every six months on April 1st and October 1st charging simple interest rather than compound interest. Loan statements are issued twice a year in April and October to recipients with outstanding loans.

The loans are secured by registering a caveat on the certificate of title in a Land Titles Office.

	<b>2018</b>		<b>2017</b>	
	<b>Gross Amount</b>	<b>Allowance for Doubtful Accounts</b>	<b>Net Realizable Value</b>	<b>Net Realizable Value (Restated - Note 11)</b>
	<i>(in thousands)</i>			
Receivables:				
Seniors Property Tax Deferral	\$ 21,586	\$ -	\$ 21,586	\$ 17,035
Seniors Home Adaptation and Repair	13,476	-	13,476	6,872
Accountable Advance	2,905	-	2,905	-
	<u>\$ 37,967</u>	<u>\$ -</u>	<u>\$ 37,967</u>	<u>\$ 23,907</u>

**NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

*(in thousands)*

	<b>2018</b>	<b>2017</b>
		<b>(Restated - Note 3)</b>
Accounts payable	\$ 1,315	\$ 1,246
Accrued liabilities - Grants	45,568	60,456
Accrued liabilities - Employee benefits	3,105	2,897
Other accrued liabilities	622	738
Payable to Canada Mortgage and Housing Corporation	5,166	5,166
	<u>\$ 55,776</u>	<u>\$ 70,503</u>

**DEPARTMENT OF SENIORS AND HOUSING  
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
MARCH 31, 2018**

**NOTE 7 TANGIBLE CAPITAL ASSETS**  
*(in thousands)*

	<b>Equipment<sup>(1)</sup></b>	<b>Computer Hardware and Software</b>	<b>Leasehold Improvement</b>	<b>2018 Total</b>	<b>2017 Total</b>
<b>Estimated useful life</b>	10 years	5 years	10 years		
<b>Historical Cost</b>					
Beginning of Year	\$ 99	\$ 74	\$ 71	\$ 244	\$ 244
Disposals, including Write-downs	-	-	-	-	-
	<u>\$ 99</u>	<u>\$ 74</u>	<u>\$ 71</u>	<u>\$ 244</u>	<u>\$ 244</u>
<b>Accumulated Amortization</b>					
Beginning of Year	97	74	71	242	238
Amortization Expense	1	-	-	1	4
Effect of Disposals	-	-	-	-	-
	<u>98</u>	<u>74</u>	<u>71</u>	<u>243</u>	<u>242</u>
<b>Net book value at March 31, 2018</b>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	
<b>Net book value at March 31, 2017</b>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 2</u>

(1) Equipment includes office and other equipment.

**NOTE 8 CONTRACTUAL OBLIGATIONS**  
*(in thousands)*

Contractual obligations are obligations of the department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	<b>2018</b>	<b>2017</b>
Obligations under Contracts and Programs	\$ 6,749	\$ 8,999

Estimated payment requirements for each of the next three years are as follows:

<b>Obligations Under Contracts and Programs</b>	<b>Total</b>
2018-19	\$ 5,782
2019-20	635
2020-21	332
	<u>\$ 6,749</u>

**DEPARTMENT OF SENIORS AND HOUSING  
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
MARCH 31, 2018**

**NOTE 9 BENEFIT PLANS**

*(in thousands)*

The department participates in the multi-employer pension plans: Management Employees Pension Plan (MEPP), Public Service Pension Plan (PSPP) and Supplementary Retirement Plan for Public Service Managers (SRP). The expense for these pension plans is equivalent to the annual contributions of \$3,016 for the year ended March 31, 2018 (2017 – \$3,311). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2017, the MEPP reported a surplus of \$866,006 (2016 – surplus \$402,033), the PSPP reported a surplus of \$1,275,843 (2016 – surplus \$302,975) and the SRP reported a deficiency of \$54,984 (2016 – deficiency \$50,020).

The department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2018, the Bargaining Unit Plan reported a surplus of \$111,983 (2017 - surplus \$101,515) and the Management, Opted Out and Excluded Plan a surplus of \$29,805 (2017 - surplus \$31,439). The expense for these two plans is limited to the employer's annual contributions for the year.

**NOTE 10 SUBSEQUENT EVENTS**

Effective: (1) April 1, 2018, the government consolidated human resource functions under the Public Service Commission within the Department of Treasury Board and Finance; (2) April 1, 2018, the *Freedom of Information and Protection of Privacy* (FOIP) delivery services under the Department of Service Alberta; (2) April 23, 2018, the government consolidated information management and technology services under the Department of Service Alberta.

**NOTE 11 COMPARATIVE FIGURES**

Certain 2017 figures have been reclassified to conform to the 2018 presentation.

**NOTE 12 APPROVAL OF FINANCIAL STATEMENTS**

The deputy minister and the senior financial officer approved these financial statements.

**DEPARTMENT OF SENIORS AND HOUSING  
 SCHEDULE TO FINANCIAL STATEMENTS  
 REVENUES  
 Year ended March 31, 2018**

**Schedule 1**

	<b>2018</b>		<b>2017</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<i>(in thousands)</i>		
Investment Income	\$ 1,494	\$ 903	\$ 501
Other Revenue			
Prior Year Expenditure Refunds	7,633	8,247	9,837
Total Revenues	<u>\$ 9,127</u>	<u>\$ 9,150</u>	<u>\$ 10,338</u>

**DEPARTMENT OF SENIORS AND HOUSING**  
**SCHEDULE TO FINANCIAL STATEMENTS**  
**EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT**  
**Year ended March 31, 2018**

**Schedule 2**

	<b>2018</b>		<b>2017</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual (Restated - Note 3)</b>
	<i>(in thousands)</i>		
Salaries, Wages and Employee Benefits	\$ 30,853	\$ 27,908	\$ 27,629
Supplies and Services	6,392	6,537	6,758
Grants	661,237	662,528	688,178
Amortization of Tangible Capital Assets	227	1	4
Other	198	159	(86)
<b>Total Expenses</b>	<b>\$ 698,907</b>	<b>\$ 697,133</b>	<b>\$ 722,484</b>

**DEPARTMENT OF SENIORS AND HOUSING  
SCHEDULE TO FINANCIAL STATEMENTS  
LAPSE/ENCUMBRANCE  
Year ended March 31, 2018**

**Schedule 3**

		Voted Estimate <sup>(1)</sup>	Supplementary Estimate <sup>(2)</sup>	Adjusted Voted Estimate	Voted Actuals <sup>(3)</sup>	Unexpended (Over Expended)
<i>(in thousands)</i>						
<b>Program - Operating Expense</b>						
<b>1</b>	<b>Ministry Support Services</b>					
1.1	Minister's Office	\$ 663	\$ -	\$ 663	\$ 650	\$ 13
1.2	Deputy Minister's Office	725	-	725	700	25
1.3	Strategic Corporate Services	6,856	-	6,856	6,662	194
		<u>8,244</u>	<u>-</u>	<u>8,244</u>	<u>8,012</u>	<u>232</u>
<b>2</b>	<b>Seniors Services</b>					
2.1	Program Planning and Delivery	7,143	(400)	6,743	5,728	1,015
2.2	Special Needs Assistance Grants	23,090	-	23,090	26,390	(3,300)
2.3	Seniors Home Adaptation and Repair	2,000	-	2,000	456	1,544
2.4	Seniors Community Grants	1,801	-	1,801	248	1,553
2.5	Seniors Advocate	984	-	984	799	185
		<u>35,018</u>	<u>(400)</u>	<u>34,618</u>	<u>33,621</u>	<u>997</u>
<b>3</b>	<b>Alberta Seniors Benefit</b>					
3.1	Program Delivery	8,550	-	8,550	8,760	(210)
3.2	Alberta Seniors Benefit Grants	270,918	-	270,918	281,296	(10,378)
3.3	Supplementary Accommodations Benefit	85,500	-	85,500	80,586	4,914
		<u>364,968</u>	<u>-</u>	<u>364,968</u>	<u>370,642</u>	<u>(5,674)</u>
<b>4</b>	<b>Housing</b>					
4.1	Program Planning and Delivery	12,384	280	12,664	11,695	969
4.2	Assistance to Alberta Social Housing Corporation	111,348	-	111,348	106,476	4,872
		<u>123,732</u>	<u>280</u>	<u>124,012</u>	<u>118,171</u>	<u>5,841</u>
	<b>Total</b>	<u>\$ 531,962</u>	<u>\$ (120)</u>	<u>\$ 531,842</u>	<u>\$ 530,446</u>	<u>\$ 1,396</u>
	<b>Lapse</b>					<u>\$ 1,396</u>

**DEPARTMENT OF SENIORS AND HOUSING  
SCHEDULE TO FINANCIAL STATEMENTS  
LAPSE/ENCUMBRANCE  
Year ended March 31, 2018**

**Schedule 3  
(Cont'd)**

	Voted Estimate <sup>(1)</sup>	Supplementary Estimate <sup>(2)</sup>	Adjusted Voted Estimate	Voted Actuals <sup>(3)</sup>	Unexpended (Over Expended)
<i>(in thousands)</i>					
<b>Capital Payments to Related Parties</b>					
<b>4 Housing</b>					
4.2 Assistance to Alberta Social Housing Corporation	\$ 166,580	\$ -	\$ 166,580	\$ 166,580	\$ -
Total	\$ 166,580	\$ -	\$ 166,580	\$ 166,580	\$ -
<b>Lapse</b>					\$ -
<b>Financial Transactions</b>					
<b>2 Seniors Services</b>					
2.3 Seniors Home Adaptation and Repair	\$ 10,200	-	\$ 10,200	\$ 8,293	\$ 1,907
2.6 Property Tax Deferral	7,300	-	7,300	6,893	407
Total	\$ 17,500	\$ -	\$ 17,500	\$ 15,186	\$ 2,314
<b>Lapse</b>					\$ 2,314

(1) As per "Expense Vote by Program", "Capital Investment Vote by Program" and "Financial Transaction Vote by Program" page of 2017-18 *Government Estimates*.

(2) Per the *Supplementary Supply Estimates* approved by Treasury Board: On September 14, 2017, a decrease of \$400 in operating expenses for each of the Seniors Services Program and the Housing Program. On January 11, 2018, an increase was approved as a budget reallocation and appropriation transfer of \$200 from Department of Environment and Parks for the Climate Leadership Plan Green Infrastructure initiative related to the Facility Energy Audit. Lastly, on January 18, 2018, Treasury Board approved a \$480 increase in capital grants for the repair of the High River Seniors Lodge.

(3) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

**DEPARTMENT OF SENIORS AND HOUSING  
SCHEDULE TO FINANCIAL STATEMENTS  
SALARY AND BENEFITS DISCLOSURE  
Year ended March 31, 2018**

**Schedule 4**

	2018			2017	
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-Cash Benefits <sup>(3)</sup>	Total	(Restated - Note 11) Total
Deputy Minister <sup>(4)</sup>	\$284,778	\$ -	\$ 68,322	\$353,100	\$ 364,638
Executives					
Assistant Deputy Minister, Strategic Services	200,405	-	44,673	245,078	251,267
Assistant Deputy Minister, Seniors Services	182,501	-	40,542	223,043	229,206
Assistant Deputy Minister, Housing	158,862	-	35,085	193,947	210,952

<sup>(1)</sup> Base salary includes regular salary and earnings such as acting pay.

<sup>(2)</sup> Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2018 and 2017.

<sup>(3)</sup> Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

<sup>(4)</sup> The position was occupied by two individuals at different times during the year. One individual occupied the position from April 1, 2017 to May 8, 2017, and the second individual was in the position from May 9, 2017 to March 31, 2018.

**DEPARTMENT OF SENIORS AND HOUSING**  
**SCHEDULE TO FINANCIAL STATEMENTS**  
**RELATED PARTY TRANSACTIONS**  
**Year ended March 31, 2018**  
*(in thousands)*

**Schedule 5**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta Consolidated Financial Statements. Related parties also include key management personnel in the department and their close family members.

The department and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The department had the following transactions with related parties reported on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	<b>Entities in the Ministry</b>		<b>Other Entities</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>Expenses - Directly Incurred</b>				
Grants	\$ 273,056	\$ 313,231	\$ -	\$ 152
Other Services	-	-	2,097	1,680
	<u>\$ 273,056</u>	<u>\$ 313,231</u>	<u>\$ 2,097</u>	<u>\$ 1,832</u>
<b>Receivables From/ (Payable To)<sup>(1)</sup></b>	<u>\$ (1,108)</u>	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ (50)</u>

<sup>(1)</sup> Assistance payable to Alberta Social Housing Corporation (ASHC) amounting to \$1,128 net of \$20 receivable from ASHC for Information Technology (IT) change order.

**DEPARTMENT OF SENIORS AND HOUSING**  
**SCHEDULE TO FINANCIAL STATEMENTS**  
**ALLOCATED COSTS**  
**Year ended March 31, 2018**  
*(in thousands)*

**Schedule 6**

Program	2018				2017	
	Expenses - Incurred by Others				Total Expenses	Total Expenses (Restated - Note 3)
	Expenses <sup>(1)</sup>	Accommodation Costs <sup>(2)</sup>	Legal Services <sup>(3)</sup>	Business Services <sup>(4)</sup>		
Ministry Support Services	\$ 8,025	\$ 854	\$ 373	\$ 13	\$ 9,265	\$ 9,521
Seniors Services	33,759	728	9	54	34,550	33,712
Alberta Seniors Benefit	370,548	816	-	598	371,962	358,500
Housing	284,801	139	7	460	285,407	324,891
	<u>\$ 697,133</u>	<u>\$ 2,537</u>	<u>\$ 389</u>	<u>\$ 1,125</u>	<u>\$ 701,184</u>	<u>\$ 726,624</u>

(1) Expenses – Directly Incurred as per Statement of Operations.

(2) Accommodation Costs, including grants in lieu of taxes, allocated by number of full-time employees.

(3) Legal Services Costs allocated by estimate costs incurred by each program.

(4) Business Services Costs, including charges for IT support, vehicles, internal audit services and other services, allocated by costs in certain programs.

Alberta Social Housing Corporation

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Financial Statements

Year ended March 31, 2018

# Alberta Social Housing Corporation

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## Financial Statements

March 31, 2018

Independent Auditor's Report	
Statement of Operations	
Statement of Financial Position	
Statement of Change in Net Financial Assets	
Statement of Cash Flows	
Notes to the Financial Statements	
Schedules to the Financial Statements:	
1	Expenses – Detailed by Object
2	Related Party Transactions

## Independent Auditor's Report

To the Minister of Seniors and Housing

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the Alberta Social Housing Corporation, which comprise the statement of financial position as at March 31, 2018, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Social Housing Corporation as at March 31, 2018, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original Signed by]

W. Doug Wylie FCPA, FCMA, ICD.D  
Auditor General

June 5, 2018  
Edmonton, Alberta

**ALBERTA SOCIAL HOUSING CORPORATION**  
**STATEMENT OF OPERATIONS**  
Year ended March 31, 2018

	2018		2017
	Budget	Actual <i>(in thousands)</i>	Actual
<b>Revenues</b>			
Government Transfers			
Government of Alberta Grants	\$ 111,348	\$ 273,056	\$ 313,291
Federal Government Grants	114,703	125,986	133,777
Donations and Other Contributions	-	2,985	37,053
Investment Income	1,400	3,922	2,164
Other Revenue	11,100	19,823	23,714
	<u>238,551</u>	<u>425,772</u>	<u>509,999</u>
<b>Expenses (Schedule 1)</b>			
Family Community Housing	78,749	89,005	82,218
Seniors Community Housing	99,520	113,809	147,722
Special Needs Housing	15,202	25,568	20,202
Rental Assistance	66,600	71,904	66,579
Emergency Housing (Note 4)	1,438	2,713	4,024
Interest on Debt for Social Housing	5,433	5,354	6,106
	<u>266,942</u>	<u>308,353</u>	<u>326,851</u>
<b>Annual Surplus</b>	<u>(28,391)</u>	<u>117,419</u>	<u>183,148</u>
<b>Accumulated Surplus at Beginning of Year</b>		<u>1,043,031</u>	<u>859,883</u>
<b>Accumulated Surplus at End of Year</b>		<u>\$ 1,160,450</u>	<u>\$ 1,043,031</u>

The accompanying notes and schedules are part of these financial statements.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
**As at March 31, 2018**

	<b>2018</b>	<b>2017</b>
	<i>(in thousands)</i>	
<b>Financial Assets</b>		
Cash and Cash Equivalents (Note 5)	\$ 419,421	\$ 286,749
Accounts Receivable (Note 6)	89,446	169,986
Loans and Advances (Note 7)	21,984	30,310
	530,851	487,045
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 10)	58,642	75,499
Debt (Note 11)	54,915	58,797
Deferred Contributions (Note 12)	152,087	208,666
	265,644	342,962
<b>Net Financial Assets</b>	265,207	144,083
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 13)	961,895	898,948
<b>Net Assets Before Spent Deferred Capital Contributions</b>	1,227,102	1,043,031
Spent Deferred Capital Contributions (Note 12)	66,652	-
<b>Net Assets</b>	\$ 1,160,450	\$ 1,043,031

Contingent assets and contractual rights (Notes 8 and 9).

Contingent liabilities and contractual obligations (Notes 14 and 15).

The accompanying notes and schedules are part of these financial statements.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**Year ended March 31, 2018**

	<b>2018</b>		<b>2017</b>
	<b>Budget</b>	<b>Actual</b> <i>(in thousands)</i>	<b>Actual</b>
<b>Annual Surplus</b>	\$ (28,391)	\$ 117,419	\$ 183,148
Acquisition of Tangible Capital Assets	(257,973)	(113,450)	(141,059)
Amortization of Tangible Capital Assets (Note 13)	41,064	36,192	36,712
(Gain) on Disposal of Tangible Capital Assets	(1,200)	(2,116)	(239)
Proceeds on Sale/Disposal of Tangible Capital Assets		2,128	5,149
Writedowns of Tangible Capital Assets		113	-
Transfer in of Tangible Capital Assets		(502)	(88,273)
Transfer out of Tangible Capital Assets		14,688	1,112
Increase in Spent Deferred Capital Contributions (Note 12)		66,652	-
<b>Increase (Decrease) in Net Financial Assets in the Year</b>		121,124	(3,450)
<b>Net Financial Assets at Beginning of Year</b>		144,083	147,533
<b>Net Financial Assets at End of Year</b>		<u>\$ 265,207</u>	<u>\$ 144,083</u>

The accompanying notes and schedules are part of these financial statements.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**STATEMENT OF CASH FLOWS**  
Year ended March 31, 2018

	<b>2018</b>	<b>2017</b>
	<i>(in thousands)</i>	
<b>Operating Transactions</b>		
Annual Surplus	\$ 117,419	\$ 183,148
Non-cash items:		
Amortization of Tangible Capital Assets (Note 13)	36,192	36,712
Deferred Contributions recognized as Revenue (Note 12)	(41,077)	(42,218)
(Gain) on Disposal of Tangible Capital Assets	(2,116)	(239)
Writedowns of Tangible Capital Assets	113	-
Transfer of Tangible Capital Assets from Other Entities	(502)	(88,273)
Transfer of Tangible Capital Assets to Other Entities	14,688	1,112
	<u>124,717</u>	<u>90,242</u>
Contributions Restricted for Operating (Note 12)	-	91,193
Decrease (Increase) in Accounts Receivable	80,540	(32,886)
Decrease in Loans and Advances	8,326	938
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(16,857)	46,340
Cash Provided by Operating Transactions	<u>196,726</u>	<u>195,827</u>
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets	(113,450)	(141,059)
Proceeds on Sale/Disposal of Tangible Capital Assets	2,128	5,149
Cash (Applied to) Capital Transactions	<u>(111,322)</u>	<u>(135,910)</u>
<b>Financing Transactions</b>		
Contributions Restricted for Capital (Note 12)	51,150	87,582
Debt Retirement	(3,882)	(16,837)
Cash Provided by Financing Transactions	<u>47,268</u>	<u>70,745</u>
<b>Increase in Cash and Cash Equivalents</b>	132,672	130,662
<b>Cash and Cash Equivalents at Beginning of Year</b>	286,749	156,087
<b>Cash and Cash Equivalents at End of Year</b>	<u>\$ 419,421</u>	<u>\$ 286,749</u>

The accompanying notes and schedules are part of these financial statements.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2018**

**Note 1     AUTHORITY AND PURPOSE**

The Alberta Social Housing Corporation (the Corporation) is an agent of the Crown in right of Alberta established in 1995 by the *Alberta Housing Act* and operates under the authority of the *Alberta Housing Act*, Chapter A-25, Revised Statutes of Alberta 2000. The Act is administered by the Department of Seniors and Housing.

The mandate of the Corporation is to provide services that facilitate the provision of affordable housing options through community based housing organizations to low-income seniors, families, individuals and those with special needs. The Corporation owns and administers the Crown's portfolio of housing assets and manages provincial debts and intergovernmental agreements associated with those assets. This includes administering the sale of provincially owned properties that are no longer efficient or effective for social housing programs. The Corporation also oversees the provincial commitments and entitlements remaining from discontinued business activities such as mortgages and loan guarantees.

The Corporation is a crown agent of the Government of Alberta and as such has a tax exempt status.

**Note 2     SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

These financial statements are prepared in accordance with Canadian public sector accounting standards.

**(a)     Reporting Entity**

The financial statements reflect the assets, liabilities, revenues, and expenses of the Corporation.

The reporting entity is the Corporation, which is part of the Ministry of Seniors and Housing and for which the Minister of Seniors and Housing is accountable. The other entity reporting to the minister is the Department of Seniors and Housing. The activities of the department are not included in these financial statements. The ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the minister is accountable.

**(b)     Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting.

Government transfers

Transfers from the Government of Alberta and federal government are referred to as government transfers.

Government transfers are recognized as deferred capital contributions and/or deferred revenue if the eligibility criteria for use of the transfer, or the stipulations together with the Corporation's actions and communications as to the use of transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Corporation complies with its communicated use of these transfers.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(b) Basis of Financial Reporting (Cont'd)**

**Revenues (Cont'd)**

Government transfers (Cont'd)

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the Corporation meets the eligibility criteria (if any).

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recognized as revenue in the year received or in the year the funds are committed to the Corporation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations and non-government contributions are recognized as deferred revenue if the terms for their use, or the terms along with the Corporation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Corporation complies with its communicated use.

In-kind donations of materials are recognized at fair value when such value can reasonably be determined.

**Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Interest expense includes debt servicing costs.

Transfers include entitlements, grants and transfers under shared cost agreements. Grants and transfers are recognized as expenses when the transfer is authorized, eligibility criteria have been met by the recipient, and a reasonable estimate of the amounts can be made.

**Valuation of Financial Assets and Liabilities**

The organization's financial assets and liabilities are generally measured as follows:

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Accounts Receivable	Lower cost or net recoverable value
Loans and Advances	Lower cost or net recoverable value
Accounts payable and accrued liabilities	Cost
Debt	Amortized cost

**Financial Assets**

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(b) Basis of Financial Reporting (Cont'd)**

**Financial Assets (Cont'd)**

Financial assets are the Corporation's financial claims on external organizations and individuals, at the year end.

Cash and Cash Equivalents

Cash comprises of cash on hand. Cash equivalents are short-term, highly liquid, investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts Receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Loans and Advances

Loans and advances are recognized at cost less provisions for estimated losses. Cost includes amounts advanced, accrued interest and other charges, less repayments and subsidies. Loans and advances include mortgages and advances to housing providers to address short term cash flow needs for specified projects and operating pressures.

**Liabilities**

Liabilities are present obligations of the Corporation to external organizations and individuals arising from transactions or events occurring before the year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

**Non-Financial Assets**

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- (a) are normally employed to deliver government services;
- (b) may be consumed in the normal course of operations; and
- (c) are not for sale in the normal course of operations.

Non-financial assets are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets are recognized at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

Work in progress, which includes facilities and improvements projects and development of information systems, is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(b) Basis of Financial Reporting (Cont'd)**

**Non-Financial Assets (Cont'd)**

Tangible Capital Assets (Cont'd)

The cost of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	10-50 Years
Computer Hardware and Software	3-10 Years
Other	10 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000.

Contributed tangible capital assets from non-related entities are recognized at their fair value at the time of contribution.

When physical assets (tangible capital assets) are gifted or are sold for a nominal sum, the net book value of these physical assets, less any nominal proceeds, are recognized as grants in kind.

**Measurement Uncertainty**

*(in thousands)*

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Estimates relating to the determination of the Housing Management Bodies accounts receivable recognized and disclosed as \$14,124 (2017 - \$15,067) in these financial statements, is subject to measurement uncertainty. This balance is based on budgeted figures which may not reflect actual audited amounts.

**Financial Instruments**

Financial instruments consist of Cash and Cash Equivalents, Accounts Receivable, Loans and Advances, Accounts Payable and Accrued Liabilities, and Debt. They are initially recognized at cost and subsequently carried at amortized cost. Write-downs on financial assets are recognized when the amount of a loss is known with sufficient precision, and there is no reasonable expectation of recovery. The Corporation does not own any derivatives, portfolio investments or other financial instruments designated in the fair value category and as such has not included a Statement of Remeasurement Gains and Losses.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)**

**(b) Basis of Financial Reporting (Cont'd)**

**Risk Management**

The Corporation has minimal exposure to credit risk, liquidity risk and interest rate risk due to the nature of its operations. The primary creditors of the Corporation are the Government of Alberta and the federal government. Both governments provide operational support to the Corporation, thus reducing exposure to credit risk. Liquidity risk is minimized given the cash and cash equivalents balance within the Corporation and the annual operational funding provided by the Department of Seniors and Housing for debt repayment. As interest rates on debt are fixed, the Corporation is not exposed to interest rate fluctuation risk because the future cash flows of the debt will not fluctuate with future market interest rate changes.

**(c) Change in Accounting Policy**

The Corporation has prospectively adopted the following standards from April 1, 2017: PS 2200 Related Party Disclosures, PS 3420 Inter-Entity Transactions, PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights which are reflected in Note 2, Note 8, Note 9, and Schedule 2.

**Note 3 FUTURE ACCOUNTING CHANGES**

The Public Sector Accounting Board has approved the following accounting standards:

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**  
This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.
- **PS 3280 Asset Retirement Obligations (effective April 1, 2021)**  
Effective April 1, 2021, this standard provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

Management is currently assessing the impact of these standards on the financial statements.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 4**    **PROVINCIAL DISASTERS RECOVERY**  
*(in thousands)*

**(a)    2016 Northern Alberta Wildfires**

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. During 2016-17 and 2017-18, the Corporation supported several Housing Management Bodies in providing emergency and interim housing primarily for Albertans displaced by the wildfires.

The government is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation.

The Province, subject to certain criteria, may recover part of the above costs from the federal government through the Disaster Financial Assistance Arrangement, pending approval through its Order in Council.

**(b)    2013 Southern Alberta Flooding**

The full recovery from the June 2013 flood in southern Alberta will take a number of years. During 2013-14, the Corporation was assigned responsibility as part of the Government of Alberta's flood response to provide emergency and interim housing for those Albertans displaced by the Southern Alberta flood incident. The Corporation also provided direct support to Housing Management Bodies whose residents were displaced and buildings were impacted by the flood. In addition, the Corporation was asked by the Ministry of Indigenous Relations to assist with not only the provision of emergency and interim housing, but the inspections, repairs and rebuilds of homes on Siksika and Stoney Nakoda First Nations.

Costs Incurred

The costs incurred by the Corporation in response to the wildfires and flood have been fully offset by the Government of Alberta through the ministries of Municipal Affairs and Indigenous Relations and the Department of Seniors and Housing which will reflect the costs. Neither the costs incurred by the Corporation during the year or the reimbursement are reflected in these financial statements. The amount incurred related to the wildfires total \$709 (2017 - \$395). The amounts incurred related to the flood total \$25,248 (2017 - \$47,478). Funds due to or payable from the Corporation reflecting wildfires and flood related amounts are included in these statements.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 5 CASH AND CASH EQUIVALENTS**  
*(in thousands)*

Cash and cash equivalents consist of:

	<b>2018</b>	<b>2017</b>
Cash	\$ 418,265	\$ 286,142
Cash Equivalents	1,156	607
	\$ 419,421	\$ 286,749

Cash includes deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality short term securities with a maximum term to maturity of three years. As at March 31, 2018, securities held by the fund have a time-weighted return of 1.1% per annum (2017: 0.9% per annum). Due to the short term nature of CCITF investments, the carrying value approximates fair value.

**Note 6 ACCOUNTS RECEIVABLE**  
*(in thousands)*

Accounts receivable are unsecured and non-interest bearing.

	<b>2018</b>		<b>2017</b>	
	<b>Gross Amount</b>	<b>Allowance for Doubtful Accounts</b>	<b>Net Realizable Value</b>	<b>Net Realizable Value</b>
Alberta Indigenous Relations <sup>(a)</sup>	\$ 13,244	\$ -	\$ 13,244	\$ 14,936
Alberta Municipal Affairs <sup>(a)(b)</sup>	-	-	-	4,572
Alberta Risk Management Fund <sup>(a)</sup>	4,507	-	4,507	6,616
Canada Mortgage and Housing Corporation	53,887	-	53,887	126,197
Department of Seniors and Housing	1,128	-	1,128	-
Housing Providers	14,124	-	14,124	15,067
Other	2,556	-	2,556	2,598
	\$ 89,446	\$ -	\$ 89,446	\$ 169,986

(a) Costs incurred by the Corporation in response to the June 2013 Southern Alberta Flood, have been fully offset through the ministries of Municipal Affairs and Indigenous Relations, Department of Seniors and Housing, as well as the Alberta Risk Management Fund. Flood related funds due to the Corporation totalling \$13,244 (2017 - \$20,231) is comprised of \$13,244 (2017 - \$14,936) from the Ministry of Indigenous Relations, \$0 (2017 - \$4,177) from the Ministry of Municipal Affairs and \$0 (2017 - \$1,118) from the Alberta Risk Management Fund.

(b) Costs incurred by the Corporation in response to the May 2016 Northern Alberta Wildfires, have been fully offset through the Ministry of Municipal Affairs. Wildfire related funds due to the Corporation total \$0 (2017 - \$395).

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 7 LOANS AND ADVANCES**  
*(in thousands)*

	2018		2017	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Capital Development Projects <sup>(a)</sup>	\$ -	\$ -	\$ -	\$ 7,258
Housing Providers' Reserves <sup>(b)</sup>	5,127	-	5,127	5,127
Rent Supplement <sup>(c)</sup>	14,327	-	14,327	14,327
Southern Alberta Flood <sup>(d)</sup>	-	-	-	828
Other Loans and Advances <sup>(e)</sup>	2,530	-	2,530	2,770
	<u>\$ 21,984</u>	<u>\$ -</u>	<u>\$ 21,984</u>	<u>\$ 30,310</u>

- (a) Several Housing Management Bodies were provided with an advance to support the cash flow requirements of approved capital development projects.
- (b) Housing Providers are provided an advance based on the number of housing units under management in order to address short term operating cash flow requirements during the year. These cash advances can be collected at any time at the discretion of the minister. These funds are required to be replenished by the Housing Providers.
- (c) Housing Management Bodies are provided an advance for approximately two months of anticipated annual operational funding requirements to administer the Rent Supplement Program. These cash advances can be collected at any time at the discretion of the minister. These cash advances are replenished as monthly claims are processed.
- (d) Several Housing Management Bodies and organizations were provided with cash advances as a result of the Southern Alberta Flood incident to help manage flood disaster relief and rebuild as well as address cash flow needs.
- (e) Other Loans and Advances includes work-out loans totalling \$783 (2017 - \$0) with repayment terms as follows:

	Principal	Interest	Total Payments
2018-19	\$ 94	\$ 31	\$ 125
2019-20	98	27	125
2020-21	102	23	125
2021-22	106	19	125
2022-23	110	15	125
Thereafter	273	22	295
	<u>\$ 783</u>	<u>\$ 137</u>	<u>\$ 920</u>

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 8**      **CONTINGENT ASSETS**  
*(in thousands)*

The Corporation submitted insurance claims where possible assets are being sought. The outcomes from these matters will likely result in recognition of assets.

The Corporation is involved in ninety-two (2017: sixty-five) outstanding insurance claims which will reasonably give rise to the recovery of assets. Of these insurance claims, ninety-two (2017: sixty-five) have a specified amount of \$6,052 (2017: \$9,123). No (2017: zero) insurance claims have no amount specified. These amounts have not been recognized in the financial statements.

**Note 9**      **CONTRACTUAL RIGHTS**  
*(in thousands)*

Contractual rights are rights of the Corporation to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

	<b>2018</b>	<b>2017</b>
Contractual Rights from Operating Leases and Contracts <sup>(a)</sup>	\$ 735,692	\$ 874,289

(a) Contractual Rights are comprised primarily of future federal funding from Canada Mortgage and Housing Corporation (CMHC) for housing programs and initiatives.

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

	<b>Total</b>
2018-19	\$ 105,695
2019-20	81,856
2020-21	79,337
2021-22	75,074
2022-23	69,247
Thereafter	324,483
	\$ 735,692

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 10 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**  
*(in thousands)*

	<u>2018</u>	<u>2017</u>
Accounts Payable	\$ 4,183	\$ 5,926
Accrued Liabilities - Supplies & Services	2,002	163
Accrued Liabilities - Grants	22,104	26,659
Accrued Liabilities - Capital	26,735	31,948
Hold Back Liabilities	2,969	7,098
Other Accrued Liabilities <sup>(a)</sup>	649	3,705
	<u>\$ 58,642</u>	<u>\$ 75,499</u>

(a) Other Accrued Liabilities is comprised primarily of \$576 (2017 - \$3,492) for amounts potentially owing to Alberta Risk Management Fund and Housing Management Bodies for open insurance claims.

**Note 11 DEBT**  
*(in thousands)*

		<u>2018</u>	<u>2017</u>
<u>Fiscal Year of Maturity</u>	<u>Effective</u>	<u>Total</u>	<u>Total</u>
<u>Ending March 31</u>	<u>Interest Rate<sup>(a)</sup></u>		
Fixed rate debt			
2018		\$ -	\$ 3,882
2019	9.44%	4,221	4,221
2020	9.45%	4,590	4,590
2021	9.49%	4,939	4,939
2022	9.57%	5,196	5,196
2023	9.62%	5,542	-
Principal Due in: less than 5 years	9.52%	\$ 24,488	\$ 22,828
6 - 10 years	9.70%	27,706	28,702
11 - 20 years	9.71%	2,721	7,267
Total debt issued	9.62%	<u>\$ 54,915</u>	<u>\$ 58,797</u>

(a) The effective interest rate is based on the weighted average of debt issues. The effective rate is the rate that exactly discounts estimated future cash payments through the expected term of the debt to the net carrying amount and includes the effects of interest rate.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 12 DEFERRED CONTRIBUTIONS**  
*(in thousands)*

	<b>2018</b>	<b>2017</b>
Deferred Revenue (a)	\$ 79,911	\$ 87,258
Unspent deferred capital contributions and transfers (b)	72,176	121,408
Spent deferred capital contributions and transfers (c)	66,652	-
	\$ 218,739	\$ 208,666

**(a) Deferred revenue**

	<b>2018</b>	<b>2017</b>
Balance at beginning of year	\$ 87,258	\$ 18
Cash contributions received/receivable during year	-	22,848
Reallocation of prior year deferred contributions <sup>(i)</sup>	-	68,345
Less: amounts recognized as revenue	(7,347)	(1,470)
Reallocation of prior year revenue <sup>(i)</sup>	-	(2,483)
Balance at end of year	\$ 79,911	\$ 87,258

**(b) Unspent deferred capital contributions and transfers**

	<b>2018</b>	<b>2017</b>
Balance at beginning of year	\$ 121,408	\$ 72,091
Received/receivable during year	51,150	155,927
Reallocation of prior year deferred contributions <sup>(i)</sup>	-	(68,345)
Transferred to spent deferred capital contributions and transfers	(66,253)	(40,748)
Transferred to spent deferred capital contributions and transfers in prior years <sup>(ii)</sup>	(34,129)	-
Adjustment of prior year transfer <sup>(i)</sup>	-	2,483
Balance at end of year	\$ 72,176	\$ 121,408

**(c) Spent deferred capital contributions and transfers**

	<b>2018</b>	<b>2017</b>
Balance at beginning of year	\$ -	\$ -
Transferred from unspent deferred capital contributions and transfers	100,382	38,265
Less: amounts recognized as revenue	(33,730)	(38,265)
Balance at end of year	\$ 66,652	\$ -

- (i) Certain prior year deferred contributions and revenue figures have been reallocated to conform with the 2018 presentation.
- (ii) Adjustments are primarily due to reallocation of annual project costs.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 13 TANGIBLE CAPITAL ASSETS**  
*(in thousands)*

	2018				2017	
	Land	Building <sup>(a)</sup>	Computer Hardware & Software	Others <sup>(b)</sup>	Total	Total
<b>Estimated Useful Life</b>	Indefinite	10-50 yrs	3-10 yrs	10 yrs		
<b>Historical Cost</b> <sup>(c)</sup>						
Beginning of Year	\$ 180,101	\$ 1,483,180	\$ 4,246	\$ 6,130	\$ 1,673,657	\$ 1,451,730
Additions <sup>(d)</sup>	714	112,299	939	-	113,952	231,711
Disposals, including write-downs <sup>(e)</sup>	(13,220)	(861)	-	(4,137)	(18,218)	(9,784)
	<u>167,595</u>	<u>1,594,618</u>	<u>5,185</u>	<u>1,993</u>	<u>1,769,391</u>	<u>1,673,657</u>
<b>Accumulated Amortization</b>						
Beginning of year	-	768,929	2,385	3,395	774,709	738,723
Amortization expense	-	34,569	1,051	572	36,192	36,712
Effect of disposals including write-downs	-	(746)	-	(2,659)	(3,405)	(726)
	<u>-</u>	<u>802,752</u>	<u>3,436</u>	<u>1,308</u>	<u>807,496</u>	<u>774,709</u>
<b>Net Book Value at March 31, 2018</b>	<u>\$ 167,595</u>	<u>\$ 791,866</u>	<u>\$ 1,749</u>	<u>\$ 685</u>	<u>\$ 961,895</u>	
<b>Net Book Value at March 31, 2017</b>	<u>\$ 180,101</u>	<u>\$ 714,251</u>	<u>\$ 1,861</u>	<u>\$ 2,735</u>		<u>\$ 898,948</u>

- (a) Seniors and special needs buildings are amortized over 50 years, community housing buildings over 40 to 50 years, and all other buildings over 10 to 25 years.
- (b) Other tangible capital assets include manufactured housing units and trailers.
- (c) Historical cost includes work-in-progress at March 31, 2018 totalling \$231,739 comprised of land \$0 (2017 - \$558); buildings \$230,269 (2017 - \$188,799); computer hardware and software \$1,470 (2017 - \$531); and other \$0 (2017 - \$0).
- (d) Additions include non-cash acquisitions totalling \$502 comprised of transfers of tangible capital assets from other entities \$0 (2017 - \$618); federal government transfers of tangible capital assets \$0 (2017 - \$78,939); and donated tangible capital assets \$502 (2017 - \$9,334).
- (e) Disposals include non-cash disposals totalling \$14,688 comprised of transfers of tangible capital assets to other entities \$13,568 (2017 - \$1,276) and grant-in-kind \$1,120 (2017 - \$1,112).

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 14**    **CONTINGENT LIABILITIES**  
*(in thousands)*

The Corporation is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The Corporation is named in sixteen (2017: six) claims, the outcome of which is not determinable. Of these claims, sixteen (2017: five) have a total amount claimed of \$19,196 (2017: \$4,179). No remaining (2017: one) claims have no amount specified. Included in the total indeterminable claims are sixteen (2017: five) claims in which the Corporation has been jointly named with other organizations.

The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**  
**March 31, 2018**

**Note 15 CONTRACTUAL OBLIGATIONS**

*(in thousands)*

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of those contracts or agreements are met. Grants for housing providers approved for future years have been included as a program obligation.

	<b>2018</b>	<b>2017</b>
Obligations under Operating Contracts, Programs and Leases <sup>(a)</sup>	\$ 277,695	\$ 234,353
Obligations under Capital Contracts and Grants	125,066	147,926
	<b>\$ 402,761</b>	<b>\$ 382,279</b>

(a) Obligations for Southern Alberta Flood contracts are excluded as they have been set up as accrued liabilities in the ministries of Municipal Affairs and Indigenous Relations.

Estimated payment requirements for each of the next five years and thereafter are as follows:

	<b>Operating Contracts and Programs<sup>(b)</sup></b>	<b>Operating Leases<sup>(c)</sup></b>	<b>Capital Contracts<sup>(d)</sup></b>	<b>Capital Grants<sup>(e)</sup></b>	<b>Total</b>
2018-19	\$ 36,320	\$ 1,347	\$ 64,697	\$ 21,958	\$ 124,322
2019-20	34,667	1,347	18,380	4,351	58,745
2020-21	34,408	1,347	8,901	361	45,017
2021-22	33,099	1,347	1,780	295	36,521
2022-23	30,313	1,347	-	4,343	36,003
Thereafter	79,591	22,562	-	-	102,153
	<b>\$ 248,398</b>	<b>\$ 29,297</b>	<b>\$ 93,758</b>	<b>\$ 31,308</b>	<b>\$ 402,761</b>

(b) Grants committed for future years under agreement with Housing Providers that would fund operating supports and amortization costs.

(c) The Corporation leases land under various leases for the purpose of providing social housing.

(d) Capital contracts are made up of the Corporation's development projects and capital asset maintenance.

(e) Amounts committed to housing providers for capital grants.

**Note 16 COMPARATIVE FIGURES**

Certain 2017 figures have been reclassified to conform to the 2018 presentation.

**Note 17 APPROVAL OF FINANCIAL STATEMENTS**

The Board approved the financial statements of the Corporation.

**ALBERTA SOCIAL HOUSING CORPORATION**  
**EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT**  
Year ended March 31, 2018

	<b>2018</b>		<b>2017</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<i>(in thousands)</i>		
Supplies and Services	\$ 7,535	\$ 8,432	\$ 8,585
Operating Grants	165,020	167,647	168,632
Capital Grants	47,890	76,855	105,531
Debt Servicing Costs	5,433	5,546	6,333
Transfer of Tangible Capital Assets to Other Entities	-	13,568	-
Amortization of Tangible Capital Assets (Note 13)	41,064	36,192	36,712
Other	-	113	1,058
	<b>\$ 266,942</b>	<b>\$ 308,353</b>	<b>\$ 326,851</b>

**ALBERTA SOCIAL HOUSING CORPORATION**  
**RELATED PARTY TRANSACTIONS**  
**Year ended March 31, 2018**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's (consolidated) financial statements. Related parties also include key management personnel and close family members of those individuals in the Department of Seniors and Housing.

The Corporation had the following transactions with related parties reported in the Statements of Operations and the Statements of Financial Position at the amount of consideration agreed upon between the related parties:

	<b>2018</b>	<b>2017</b>
	<i>(in thousands)</i>	
Revenues		
Grants		
Transfers from the Department of Seniors and Housing	\$ 273,056	\$ 313,291
Transfer of Tangible Capital Assets	-	618
	<u>273,056</u>	<u>313,909</u>
Expenses		
Debt Servicing Costs	-	453
Grants	110	6,831
Insurance Premiums	5,236	5,251
Other Services	-	60
Transfer of Tangible Capital Assets	13,568	1,276
	<u>\$ 18,914</u>	<u>\$ 13,871</u>
Receivable from		
Alberta Indigenous Relations	\$ 13,244	\$ 14,936
Alberta Municipal Affairs	-	4,572
Alberta Risk Management Fund	4,507	6,616
Department of Seniors and Housing	1,128	-
	<u>\$ 18,879</u>	<u>\$ 26,124</u>
Payable to		
Alberta Justice	\$ 41	\$ -
Alberta Risk Management Fund	530	680
Alberta Treasury Board and Finance	735	1,924
Department of Seniors and Housing	20	60
	<u>\$ 1,326</u>	<u>\$ 2,664</u>



## Annual Report Extracts and Other Statutory Reports

Section 32(1) of Alberta's *Public Interest Disclosure (Whistleblower Protection) Act* requires that a report must be prepared annually on all disclosures under the Act for each department, public entity or office of the Legislature.

The Public Interest Disclosure Office provided the following report to the Deputy Minister of Seniors and Housing on April 3, 2018.

<b>Summary of Public Interest Disclosure Activities for the Ministry of Seniors and Housing for the Period April 1, 2017 to March 31, 2018</b>	
Number of disclosures of wrongdoing	0
Number of disclosures acted on	0
Number of disclosures not acted on	0
Number of investigations	0

